FEDERAL BUREAU OF INVESTIGATION
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The Attorney General

April 29, 1970

1 - Mr. DeLoach
1 - Mr. Gale
1 - Mr. Staffeld
1 - Mr. Ware

Director, FBI

INTERNATIONAL INTELLIGENCE, INC.

A source who is considered to be most reliable has advised that a newly formed private organization entitled International Intelligence, Inc., or International Intelligence Operation, Inc., has been formed by former Departmental Attorneys Robert Peloquin and William Hundley.

The source reported that Peloquin has openly stated that the objectives of this company are to gather information on an international scale concerning allegations of hoodlum control of corporations and dissemination of this information to members of interested corporations and any other organizations which might desire this type of data. Peloquin has also said, according to the source, that he intends to use information obtained from the Justice Department files, and that the information will be provided to such organizations in the United States and elsewhere.

Any additional information which is received concerning this new corporation will be promptly furnished to you.

1 - The Deputy Attorney General

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[redacted]

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REC'D DeLOACH
F.B.I.

April 28, 1970

SPECIAL INVESTIGATIVE DIVISION

In attached memorandum SAC, Miami, advised that [redacted] b7D has recently learned that former Departmental Attorneys Robert Peloquin and William Hundley have formed a private organization known as International Intelligence, Inc. or International Intelligence Operation, Inc. According to [redacted] Peloquin openly states he intends to use information obtained from Justice Department records to collect information concerning alleged racket control of corporations and furnish this information to interested parties which may have a possible interest in it and to members of the corporations in question. The Attorney General is being advised.

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA FPMR (41 CFR) 101-11.6

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI

DATE: April 22, 1970

FROM : SAC, Miami (92-0)

SUBJECT: INTERNATIONAL INTELLIGENCE, INC.
ROBERT PELOQUIN;
WILLIAM HUNDLEY;
CRIMINAL INTELLIGENCE PROGRAM
INFORMATION MATTER

[redacted] confidentially advised the Miami Office on April 22, 1970, that he had recently learned of a newly formed private organization captioned International Intelligence, Inc. or International Intelligence Operation, Inc. This organization was formed by former Departmental Attorneys ROBERT PELOQUIN and WILLIAM HUNDLEY, whose identities are well known to the Bureau. Both PELOQUIN and HUNDLEY are associated with the Paradise Island Hotel and Casino in Nassau.

[redacted] advises that PELOQUIN has made no secret of the fact that he intends to use information obtained from the Justice Department files in order to attain the objectives of this company, which are to gather information on an international scale concerning alleged racket control into corporations which would be of interest to members of the corporation in question. PELOQUIN has in mind, for example, furnishing this information to professional sports organizations, gambling casinos in the United States and elsewhere and any other possible organization which would desire this type information.

[redacted] advised this is all he knows at the present time concerning this corporation and is furnishing the aforementioned as a matter of interest to the Bureau.

It is felt that the Bureau may be desirous of knowing of the existence of this organization in the event inquiries are made by individuals connected with this group.

(2) - Bureau
1 - Miami
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5 APR 24 1970

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/88 BY [redacted]

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Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

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1 - Mr. R. L. Shackelford

SAC, New York

7/24/70

Director, FBI (62-113468)

INTERNATIONAL INTELLIGENCE, INC.
375 PARK AVENUE, NEW YORK CITY;
ROBERT PELOQUIN;
WILLIAM HUNDLEY;
INFORMATION CONCERNING
ATTENTION: INTERNAL SECURITY SECTION,
DOMESTIC INTELLIGENCE DIVISION

Information was previously received from a confidential source that former Departmental Attorneys Robert Peloquin and William Hundley formed captioned organization allegedly to gather information concerning international racket control of corporations. This information would then be furnished the corporation, if desired.

You should check your indices and advise the Bureau of the results. Any information coming to your attention concerning this organization should be promptly furnished to the Bureau.

1 - Miami (92-0)

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(5)

NOTE:

Mr. Sullivan inquired as to the nature of captioned organization.

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EX-110

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62-113468-3

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Callahan
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Sullivan
Tavel
Soyars
Tele. Room
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Gandy

58 AUG 4 1970

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA FPMR (41 CFR) 101-11.6

UNITED STATES GOVERNMENT

Memorandum

TO DIRECTOR, FBI (62-113468) DATE: 8/5/70

FROM SAC, NEW YORK (92-)

SUBJECT: INTERNATIONAL INTELLIGENCE, INC.
375 PARK AVENUE, NEW YORK CITY;
ROBERT PELOQUIN; WILLIAM
HUNDLEY;
INFORMATION CONCERNING
ATTENTION: INTERNAL SECURITY SECTION
DOMESTIC INTELLIGENCE DIVISION

ReBulet to New York, dated 7/24/70.

On 8/5/70, former SA JOHN D. O'CONNELL, Executive Vice-President of International Intelligence, Inc. (Intertel) made available a copy of a brochure setting forth the services provided by Intertel (enclosed).

This brochure also lists the officers of Intertel as well as a brief summary of their background.

The NYO will remain alert for any further information concerning this organization.

COPY RETAINED IN PERSONNEL RECORDS UNIT

2 - Bureau (Encls. 1)
1 - New York

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ENCLOSURE
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EX 106
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ENCLOSURES TO BUREAU (1)

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INTERNATIONAL INTELLIGENCE, INC.
375 PARK AVENUE, NYC;
ROBERT PELOQUIN; WILLIAM
HUNDLEY;
INFORMATION CONCERNING

Enclosed for Bureau is a copy of a brochure setting forth the services provided by Intertel.

62-113468-14

MANAGEMENT

The principal officers of INTERTEL are:

Robert D. Peloquin - President, a partner in the law firm of Hundley and Peloquin of Washington, D.C. Former Chief of the U.S. Department of Justice initial Organized Crime Strike Force and Senior Special Attorney, Organized Crime and Racketeering Section, Criminal Division, U.S. Department of Justice. Former associate counsel to the Commissioner of Professional Football and Vice-President of Paradise Enterprises, Ltd., a subsidiary of Resorts International, Inc. Presently holds the rank of Commander in the U.S. Naval Reserve as an Intelligence Specialist.

William G. Hundley - Secretary and General Counsel, a partner in the law firm of Hundley and Peloquin of Washington, D.C. Former Chief of the Organized Crime and Racketeering Section, Criminal Division, U.S. Department of Justice and Special Assistant to the Attorney General of the United States. Former counsel to the Commissioner of Professional Football and Vice-President of Paradise Enterprises, Ltd., a subsidiary of Resorts International, Inc.

Raymond M. Gore - Treasurer, a Certified Public Accountant in the State of New York, a former Managing Accountant with Price Waterhouse and Company. Former Assistant to the Vice-President-Finance of the Babcock and Wilcox Company. Vice-President-Finance for Resorts International, Inc. Member of the American Institute of Certified Public Accounts and the New York Society of Certified Public Accountants.

John D. O'Connel - Executive Vice-President, is a New York attorney, recently associated with the Bureau of Ethical Security and [illegible] as New York legal and security consultant for the Commissioner of Professional

Criminal Division, U.S. Department of Justice and First Assistant United States Attorney, Northern District of New York. He also served as Associate General Counsel of the New York State Commission on the Revision of the Penal Law and principal Assistant District Attorney, Onondaga County, New York.

Fenelon A. Richards is former Director of Enforcement U.S. Bureau of Customs with world-wide supervisory responsibility over the investigation of 750 customs agents and investigators. Mr. Richards has thirty years experience in criminal investigation while serving in the U.S. Department of Justice and the Bureau of Customs. Mr. Richards was the senior Customs representative assigned to the Organized Crime Strike Forces and is the Director of Security for Resorts International, Inc.

Gary Gardner - former Deputy Director of the New Jersey Crime Commission. Mr. Gardner has extensive experience as a Special Attorney in the Organized Crime and Racketeering Section, Criminal Division, U.S. Department of Justice and former member of the Department of Justice Strike Forces. He also served as Assistant United States Attorney in the Western District of New York specializing in organized crime prosecutions.

David I. Belisle - former Chief of Administration, United States Embassy, Bonn, Germany and previously the Deputy Director of Security for the Department of State. Mr. Belisle was the Director of Investigations for the United States National Security Agency. He is an Intelligence Specialists in the Naval Reserve holding the rank of Commander.

Paul C. Mahon, former Special Agent, Intelligence Division, U.S. Internal Revenue Service. Mr. Mahon has extensive experience

Football, various professional associations and several leading national corporations. Mr. O'Connell is a former Special Agent of the Federal Bureau of Investigation where he served 24 years as a supervisor of intelligence activities and specialized in the field of organized crime and racketeering investigations. Mr. O'Connell is admitted to practice before the United States Supreme Court.

Thomas J. McKeon - Vice-President and Assistant General Counsel, formerly Special Assistant in charge of the Attorney General's Strike Force on Organized Crime in Detroit and served as a Senior Special Trial Attorney in the Organized Crime and Racketeering Section, Criminal Division, U.S. Department of Justice. He was previously engaged in the private practice of law in Connecticut and was a labor-management consultant at United Aircraft Corporation. Mr. McKeon was also the Chief of the Special Projects Section, National Security Agency, Washington, D.C.

William A. Kolas - Vice-President, former Director, Intelligence Division, Internal Revenue Service (IRS) responsible for the investigation of all tax evasion and criminal violations of the IRS Code. Mr. Kolar directed the activities of 58 District Offices and 1900 Special Agents in fulfilling this responsibility. He formerly was the Director of the Internal Security Division, IRS, and was the Chief Investigator for a United States Senate Judiciary Sub-Committee. Earlier, Mr. Kolar was a Special Agent of the Federal Bureau of Investigation for eight years specializing in national security matters.

Edward McLaughlin - Special Consultant to the President, a New York Attorney, is the Chief Counsel of the New York State Joint Legislative Committee on Crime. Mr. McLaughlin was formerly a Trial Attorney with the Organized Crime and Racketeering Section,

as a supervisor of Special Organized Crime Intelligence Squads within the Internal Revenue Service. He has over twenty-four years investigative experience concerning criminal cartels on both a national and international scale.

Robert M. Ornstein - former Special Attorney, Organized Crime and Racketeering Section, Criminal Division, U.S. Department of Justice and member of the Department of Justice Strike Force (Eastern District of New York). Admitted to the bar of New York.

James O. Golden, former Special Agent in the United States Secret Service specializing in Presidential security. Mr. Golden has been employed as a Washington representative for General Mills and the Lockheed Aircraft Corporation. He was the Director of Security at the 1968 Republican National Convention in Miami, Florida and is the Deputy Director of Security for Resorts International, Inc.

Warren Adams, former Officer-in-Charge of the gaming squad, Clark County Sherrif's Department, Las Vegas, Nevada. An internationally recognized expert in the prevention of cheating in casino operations and presently employed as chief casino security officer, Paradise Island, Bahamas.

BOARD OF DIRECTORS

Chairman: James M. Crosby

Members:

Sir Ranolph Bacon, K.B., Commissioner, Scotland Yard (Ret.)

Honorable M.F.A. Lindsay, Commissioner, Royal Canadian Mounted Police (Ret.)

Mortimer Caplan, Attorney and former Commissioner, Internal Revenue Service

Lester Johnson, Commissioner, U.S. Bureau of Customs (Ret.)*

James Rowley, Director, United States Secret Service*

Robert D. Peloquin (Ex Officio), President of INTERTEL

William G. Hundley (Ex Officio), Secretary and General Counsel of INTERTEL

*Upon retirement from active Government service, Summer, 1970.

Proposed Members:

Honorable Herbert Brownell, Attorney and former Attorney General of the United States

Fred M. Vinson, Jr., Attorney and former Assistant Attorney General, Criminal Division, U.S. Department of Justice

Sir Richard Jackson, K.B., Deputy Commissioner, Scotland Yard (Ret.) and President of INTERPOL (1962-1966)

Edwin McDonnell, Executive Vice-President, Metropolitan Life Insurance Company

Keith Funston, President, New York Stock Exchange

Gustave Levy, Partner, Goldman, Sachs and Company

Richard Gelb, President, Bristol-Myers Company

George D. Moore, Chairman, First National City Bank

Manuel Cohen, Attorney and former Chairman, Securities and Exchange Commission

62-113486-4

TRADE ASSOCIATION SERVICES:

To provide to local or industry wide trade associations the necessary intelligence to alert them to criminal problems arising within their industry. To further provide such groups with a ready means of gaining accurate information as to individuals, groups or companies who may be suspect of being under the influence or control of organized crime.

STOCK EXCHANGES, BROKERAGE HOUSES, BANKS AND CREDIT CARD SERVICES:

To provide guidance in the initiation of systems and procedures that will rapidly identify stolen or fraudulent stocks, bonds or treasury certificates and the setting up of systems within the various organizations to prevent thefts of such documents. To provide management with security systems that will minimize or prevent the use of fraudulent or stolen credit cards.

LEGITIMATE GAMING SERVICES:

To provide the necessary management and security expertise in the operations of legitimate casinos on a world-wide basis. Such expertise will include all phases of casino operations from setting up same to the granting of and collection of credit to casino patrons. Expert knowledge will be utilized to prevent the growth of any form of influence or control over such operations by elements of organized crime.

INSURANCE INDUSTRY SERVICES:

To provide the necessary intelligence and guidance to management when they are contemplating the commitment of substantial sums of money as construction or development loans in a variety of business situations. This is crucial when it is well known that organized crime interests are substantially present in these areas.

INTERTEL's corporate headquarters are in Washington D.C. INTERTEL offices are located at 375 Park Avenue, New York, New York, with additional offices scheduled to be opened in Chicago, Los Angeles, Philadelphia and in Canada. INTERTEL is presently performing services for clients in the United States as well as in six foreign countries.

Areas of particular interest to INTERTEL are:

CORPORATE SERVICES:

To provide to management the necessary intelligence and guidance as to whether an organized crime problem exists in companies with which they do business or are contemplating establishing a relationship with, such as through merger, acquisition, joint venture, or the granting of franchises.

To provide to management guidance in the initiating of systems and procedures to minimize losses due to various forms of criminal activity within their organizations.

PROFESSIONAL SPORT SERVICES:

To provide the intelligence, systems and expert personnel to professional level major sporting activities in order to prevent the outcome of sporting events from being influenced by organized crime.

GOVERNMENTAL SERVICES:

To provide governmental entities guidance in the development of plans for research and action grants in the disciplines of or the administration of justice.

To advise and consult with state executive agencies or legislative committees in the drafting of comprehensive legislation to more effectively combat organized crime activity.

International Intelligence, Inc.
INTERTEL

INTERTEL is a unique consulting organization professionally staffed to provide industry and trade associations with management systems to eliminate their exposure to infiltration by organized crime.

INTERTEL was incorporated in Delaware in January, 1970, and its certificate of incorporation reflects that its purposes are:

> "To conduct and carry on a management advisory and consulting business relating to the protection of business firms of every type and description from the infiltration, incursion, attack and influence of crime and criminals and to aid, assist and in all respects cooperate with governmental agencies on a local, state and federal level in the elimination of crime and its influence in all aspects of the business community."

Organized crime has become a major threat to the mainstream of the United States -- its business community. The law enforcement community is powerless, due to lack of jurisdiction, to act in preventing infiltration into the business community by organized criminal elements unless and until a crime has been committed. The directors and officers of INTERTEL are prepared to offer guidance to industry in the installation and maintenance of management systems which will protect their organization from public embarrassment or of greater import, the threat of pecuniary loss or ultimately the loss of management control by the entry of organized crime into their fields of business.

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FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION

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TELETYPE

Mr. Tolson	
Mr. Sullivan	
Mr. Mohr	
Mr. Bishop	
Mr. Brennan CD	
Mr. Callahan	
Mr. Casper	
Mr. Conrad	
Mr. Felt	
Mr. Gale	
Mr. Rosen	
Mr. Tavel	
Mr. Walters	
Mr. Soyars	
Tele. Room	
Miss Holmes	
Miss Gandy	

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ALL INFORMATION CONTAINED
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DATE 3/11/88 BY [redacted]

TO DIRECTOR

MIAMI

FROM LAS VEGAS (92-3659) 4P

Intertel

Anti-Racketeering

INTERNATIONAL INTELLIGENCE SERVICES, INC., ~~AR.~~

Incorporated

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REMYTELS TO BUREAU DECEMBER ONE, FOUR, FIVE, AND SIX LAST UNDER CAPTION HOWARD HUGHES - INFORMATION CONCERNING - MISSING PERSON.

RETELS SET FORTH INFORMATION PERTAINING TO MYSTERIOUS AND HIGHLY CONTROVERSIAL DISAPPEARANCE OF MULTIMILLIONAIRE HOWARD HUGHES FROM LAS VEGAS ABOUT NOVEMBER TWENTYSIX LAST. SUMMARY OF POWER STRUGGLE WITHIN HUGHES BUSINESS COMPLEX RESULTING IN ATTEMPTED OUSTER OF ROBERT MAHEU, DIRECTOR OF HUGHES NEVADA OPERATIONS, BY HUGHES TOOL CO. OFFICIALS CHESTER C. DAVIS AND FRANK W. GAY SET FORTH. IN CONNECTION WITH ATTEMPTED TAKE OVER BY DAVIS - GAY FACTION RETEL DECEMBER SIX REPORTED ANNOUNCEMENT BY DAVIS AND GAY THAT "INTERTEL" WILL BE ENGAGED ON CONTRACT BASIS TO OPERATE SECURITY AND CERTAIN MANAGEMENT PHASES OF NEVADA CASINO-HOTELS OWNED BY HUGHES. PELOQUIN AND NUMBER OF OTHER

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INTERTEL OFFICIALS AND/OR EMPLOYEES ARE IN LAS VEGAS, REPORTEDLY AWAITING AUTHORIZATION TO ASSUME COMPLETE SECURITY RESPONSIBILITY FOR HUGHES CASINO-HOTELS.

✓ ⊙ INTERTEL IS CODE NAME FOR INTERNATIONAL INTELLIGENCE SERVICES, INC., HEADED BY ROBERT D. PELOQUIN, PRESIDENT. PELOQUIN FURTHER IDENTIFIED IN PRESS AS FORMER CHIEF OF DEPARTMENT OF JUSTICE'S FIRST ORGANIZED CRIME STRIKE FORCE. AS BUREAU IS AWARE, PELOQUIN IS FORMER DEPARTMENTAL ASSISTANT TO WILLIAM G. HUNDLEY, FORMER HEAD OF ORGANIZED CRIME AND RACKETEERING SECTION OF DEPARTMENT. PELOQUIN AND HUNDLEY ARE ALSO PARTNERS IN WASHINGTON, D.C., LAW FIRM AND HUNDLEY IS OFFICER OF INTERTEL. INTERTEL REPORTED ORIGIANALLY FINANCED TO EXTENT OF ABOUT TWO MILLION DOLLARS BY RESORTS INTERNATIONAL, INC. RESORTS INTERNATIONAL REPORTEDLY HAS SUBSTANTIAL GAMBLING INTERESTS IN BAHAMAS. BOTH HUNDLEY AND PELOQUIN ARE OFFICERS IN PARADISE ENTERPRISES LIMITED, A SUBSIDIARY OR RESORTS INTERNATIONAL, INC., ACCORDING TO BROCHURE ON INTERTEL. INTERTEL FURTHER DESCRIBED AS DELAWARE CORPORATION FOUNDED JANUARY,

END PAGE TWO

56DEC18 1970

NINETEEN SEVENTY, "TO CONDUCT AND CARRY ON A MANAGEMENT, ADVISORY AND CONSULTING BUSINESS RELATING TO THE PROTECTION OF BUSINESS FIRMS OF EVERY TYPE AND DESCRIPTION FROM THE INFILTRATION, INCURSION ATTACK, AND INFLUENCE OF CRIME AND CRIMINALS, AND TO AID, ASSIST, AND IN ALL RESPECTS COOPERATE WITH GOVERNMENTAL AGENCIES ON A LOCAL, STATE, AND FEDERAL LEVEL IN THE ELIMINATION OF CRIME AND ITS INFLUENCE IN ALL ASPECTS OF THE BUSINESS COMMUNITY." PRINCIPAL OFFICERS OF INTERTEL IN ADDITION TO PELOQUIN AND HUNDLEY INCLUDE RAYMOND M. GORE, CPA, STATE OF NEW YORK; JOHN D. O'CONNELL, NEW YORK ATTORNEY AND FORMER FBI AGENT WHO SERVED "TWENTYFOUR YEARS AS SUPERVISOR OF INTELLIGENCE ACTIVITIES AND SPECIALIZING IN THE FIELD OF ORGANIZED CRIME AND RACKETEERING INVESTIGATIONS"; THOMAS J. MC KEON, FORMER JUSTICE DEPARTMENT ORGANIZED CRIME AND RACKETEERING SECTION ATTORNEY AND CHIEF OF DETROIT ORGANIZED CRIME STRIKE FORCE; FENELON A. RICHARDS, GENERAL DIRECTOR OF ENFORCEMENT, U.S. BUREAU OF CUSTOMS; JAMES O. GOLDEN, FORMER SA OF SECRET SERVICE AND DIRECTOR OF SECURITY AT

NINETEEN SIXTYEIGHT REPUBLICAN NATIONAL CONVENTION IN MIAMI; AND PAUL C. MAHON, FORMER SA, INTELLIGENCE DIVISION, IRS.

RESORTS INTERNATIONAL, INC., ACCORDING TO LIMITED AND NON-SPECIFIC DATA IN LAS VEGAS FILES EITHER REPLACED OR BOUGHT OUT MARY CARTER PAINT COMPANY'S GAMBLING HOLDINGS IN BAHAMAS SEVERAL YEARS AGO. DUE TO LIMITED INFORMATION AVAILABLE IT IS NOT POSSIBLE TO DETERMINE WHETHER MANAGEMENT OF MARY CARTER PAINT COMPANY BECAME MANAGEMENT GROUP OF RESORTS INTERNATIONAL.

INASMUCH AS IT WOULD APPEAR THAT INTERTEL, WHICH IS CLOSELY ALLIED TO AND WAS ORIGINALLY FINANCED BY RESORTS INTERNATIONAL, INC., MAY BECOME A SUBSTANTIAL OPERATING FACTOR IN NEVADA GAMBLING, IT IS REQUESTED THAT BUREAU AND MIAMI FURNISH ALL AVAILABLE PERTINENT INFORMATION PERTAINING TO BOTH ORGANIZATIONS AND TO INDIVIDUALS CONNECTED THEREWITH. AN OFFICIAL OF HUGHES NEVADA OPERATIONS (FORMER SA RICHARD DANNER) HAS STATED THAT MARY CARTER PAINT COMPANY AND RESORTS INTERNATIONAL MAY POSSIBLY BE HOODLUM INFILTRATED OR FINANCIALLY INDEBTED TO MEYER LANSKY.

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cc: MR. GALE

FBI
U.S. DEPT. OF JUSTICE

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Rosen
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Walters
Soyars

Concern Fights Crime in Business

By FRANK J. PRIAL
Special to The New York Times

WASHINGTON, July 25 — International Intelligence, Inc. — Intertel for short — sounds like a title by Ian Fleming, and the analogy is not completely inappropriate.

Founded recently by two former United States Departments of Justice experts on organized crime, and situated here, Intertel is a company created primarily to combat the growing problem of underworld infiltration into legitimate business. The principals say it is the only organization of its kind in the world.

Are the cargo facilities at a major truck terminal or even a giant airport riddled with or controlled by criminals? Intertel is prepared to advise on cleaning — and keeping — them out.

Is a major motel chain worried about some potential franchise holders? Intertel men probably will know immediately if the would-be franchisees are mobsters, and they claim, if the "hot money" investors are hidden, they are prepared to root them out.

Is a large city police department mired in grart? Intertel specialists will prepare a detailed analysis of the problem and indicate how to deal with, if not eradicate, the corruption.

Is a gambling casino in the Caribbean an obvious plum for hoodlums from the United States? Intertel will provide complete security services and guarantee that the casino is honestly run.

And these are not hypothetical examples. Intertel is or soon will be, involved in all of them. Most of its work is confidential, but its reputation is based in part on its success in operating the gambling casino on Paradise Island, just off Nassau in The Bahamas.

That casino, opened in 1968, has provided its owners, Resorts International, Inc., the former Mary Carter Paint Company, with much of the capital for the development of Paradise Island, which Resorts bought from Huntington Hartford, the A. & P. heir, in 1966. From a flat strip of scrub pine and palmetto called Hog Island, it has been transformed into a gaudy Miami-like tourist center in just a couple of years.

The present Bahamas Government, elected to office in the wake of a gambling scandal in the islands, is hypersensitive about what goes on in its casinos. This prompted the chairman of Resorts International, James Crosby, to hire a former Justice Department crimebuster named Robert D. Peloquin to police the operation. From that arrangement, called Paradise Enterprises, Inc., grew Intertel, of which Mr. Peloquin is president and William G. Hundley, another Justice Department alumnus, is secretary and general counsel.

Bob Peloquin, 40 years old, is a rangy, black-haired, rough-hewed lawyer who served as chief of the Justice Department's first Organized Crime Strike Force, and as top attorney in the Department's Organized Crime and Racketeering Section.

Bill Hundley, 42, was a special assistant to Attorney

Please copies to John Dennis O'Connell and William A. Kolar. 2 CH

SEE REVERSE SIDE
ADD. DISSEMINATION

The Washington Post
Times Herald
The Washington Daily News
The Evening Star (Washington)
The Sunday Star (Washington)
Daily News (New York)
Sunday News (New York)
New York Post
The New York Times F-1
The Sun (Baltimore)
The Daily World
The New Leader
The Wall Street Journal
The National Observer
People's World
Examiner (Washington)

JUL 26 1970
Date

62-113468-A
NOT RECORDED
47 SEP 16 1970

3-RD

XEROX
SEP 21 1970

DE-11

SEP 3 1970

JUL 27 1 56 PM
RECEIVED-TOLSON
F B I

RECD-CALLAHAN
F B I

JUL 27 3 44 PM 1970
RECEIVED-DIRECTOR
F. B. I.

JUL 27 2 23 PM '70

JUL 27 10 54 AM '70

SEP 17

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SEP 24 1970

SD TO:
REQ. RECD
MAY 23 1988
ANS.
BY:

Photo Encl
CC TO: LEGAT OTTAWA
REC. REC'D 12-29-70
JAN 14 1971
ANS.
BY: GHS

IS. INTELL, INC.
INTERNATIONAL

General Robert F. Kennedy, and served as chief of the Organized Crime and Racketeering Section. A few years ago, he successfully prosecuted former New York State Supreme Court Justice J. Vincent Keogh, who was convicted and sentenced to two years for attempting to bribe a Federal judge.

Men Have Law Firm

The two men knew each other in the Justice Department and later worked together as attorneys and investigators for Pete Rozelle, the Commissioner of Professional Football. They are also partners in their own law firm here, Hundley and Peloquin.

Intertel includes the National Football League among its clients. "We check new players, referees, prospective club owners — everything," Mr. Peloquin said.

Intertel will take on unusual tasks such as controlling gambling in casinos—at least one foreign government already has approached the company about running its casinos—and it will handle routine jobs, such as setting theft controls, for a New York City restau- Peloquin primary nsultant s. "We nts," not f." il

Kenelon Richards was director of enforcement for the United States Bureau of Customs and also serves as director of security for Resorts International. David Belisle was deputy director of security for the Department of State and formerly director of investigation for the super-secret National Serity Agency.

G.O.P. Convention

James Golden, a former Secret Service agent, was in charge of security at the 1968 Republican National Convention, and Warren Adams formerly was in charge of the gaming squad for Clark County (Las Vegas), Nevada.

In fact, only one of Intertel's 14 staffers, Raymond M. Gore, the treasurer, is not a former lawman. He also serves as vice president-finance of Resorts International.

At the same time, Intertel men insist that they are not a detective agency, that they do not do wire-tapping, and that they do not attempt to cash in on their contacts within the various law enforcement agencies. Asked if his top-level staff might not have access to confidential Government files, Mr. Peloquin said: "We don't need them.

"As far as organized crime is concerned," he said, "there is so much on the public record that we have no reason to even want Government files."

Gathering together the kind of men who are with Intertel, most of them lawyers, plus setting up a network of part-time contacts, is obviously an expensive business. While Mr. Peloquin is chary about divulging the company's financial details, it was learned that the principal financial backer, not surprisingly is Resorts International's chairman, James Crosby.

Mr. Crosby, who also serves as chairman of Intertel, is said to have provided about $2-million and to hold the majority of the voting shares in the new company, although Intertel is not a subsidiary of Resorts International. Most of the executives of Intertel hold stock options, and tentative plans include a public sale of Intertel shares at an undeter-

mined future date.

Intertel executives admit that there is nothing to prevent a worried businessman from going directly to his local district attorney or United States attorney with a crime problem. "But," Mr. Peloquin said, "law enforcement people can't do a great deal until a law has been violated. By then, for many people, it's too late."

Agencies Lack Jurisdiction

What's more, law enforcement agencies simply have no jurisdiction in the matter of criminal infiltration of business, Intertel men say. Mr. Peloquin told of several would-be clients who unwittingly, found themselves in partnership with criminal types. "They wanted us to figure out how to get rid of these people after the fact," he said, "and that, as you can imagine, is not easy."

Mr. Peloquin cited the example of a widely known, publicly owned corporation that was the subject recently of several government investigations. Trading in the company's stock was stopped and its value plunged precipitously. "They had management problems," Mr. Peloquin said. "They got mixed up with the wrong people. If we had been around at the time, and if they had consulted us, we could have saved them a lot of grief."

Meanwhile, Intertel, which held its first directors' meeting last month, is growing. Offices are planned in Chicago, Los Angeles, Toronto and Philadelphia, and the staff is expanding, too. A visitor to the offices here recently reported being on hand when a prospective jobseeker appeared.

"What are you doing now," Mr. Peloquin asked.

"Oh, I'm still with the—— Foundation," the man replied.

"Ah," said Mr. Peloquin, "still with the C.I.A."

The man admitted he was.

Robert D. Peloquin, seated, president of International Intelligence, Inc., and William G. Hundley, secretary and general counsel. Concern acts as consultants to advise businessmen combatting organized crime.

1/4/71

Airtel

62-113468-6

EX-113 REC-57

b3
b7E

To: SAC, Las Vegas (92-3659) PERSONAL ATTENTION

From: Director, FBI

WILLIAM G. HUNDLEY
ROBERT D. PELOQUIN
INTERNATIONAL INTELLIGENCE, INC.
INFORMATION CONCERNING

ReBuairtel 12/8/70 captioned "Gambling Activities - Bahamas, AR."

Enclosed for your confidential information are background summaries on Hundley and Peloquin.

As you are aware these individuals are attorneys whose office is at 839 17th Street, N.W., Washington, D. C. They have formed a consulting organization, International Intelligence, Inc. (Intertel), which was incorporated in Delaware in January, 1970. Additional information concerning this organization was furnished to you in reBuairtel.

Enc.

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27-48036-

UNRECORDED COPY FILED IN

#279938

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/11/88 [redacted]

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ARW:tcd
(4)

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Felt
Gale
Rosen
Tavel
Walters
Soyars
Tele. Room
Holmes
Gandy

MAILED 4
JAN 8 1971
COMM-FBI

JAN 8 1971

MAIL ROOM [ ] TELETYPE UNIT [ ]

RECEIVED-DIRECTOR
F.B.I.
JAN 4 2 28 PM '71 29 PM '71
RECD SULLIVAN
FBI JUSTICE
F B I
U S DEPT OF JUSTICE
JAN 5 5 49 PM '71
F B I
U S DEPT OF JUSTICE
RECEIVED-GALE
JAN 4 1 58 PM 1971
F B I
RECEIVED-TOLSON
JAN 7 9 04 AM '71
RECD SULLIVAN
FBI JUSTICE
CRIM INTELL SEC
SPECIAL INVEST DIV
JAN 5 11 37 AM 1971
F. B. I.
U.S. DEPT. OF JUSTICE

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Felt
Gale
Rosen
Tavel
Walters
Soyars
Tele. Room
Holmes
Gandy

TO : MR. SULLIVAN

DATE: December 9, 1970

FROM : J. H. GALE

SUBJECT: WILLIAM G. HUNDLEY
ROBERT D. PELOQUIN
INTERNATIONAL INTELLIGENCE, INC.
INFORMATION CONCERNING

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This memorandum is prepared in response to the request of Mr. Tolson for a summary of information on Hundley and Peloquin in Bureau files.

Hundley and Peloquin, attorneys, whose office is at 839 17th Street, N. W., Washington, D. C., formed a consulting organization, International Intelligence, Inc. (Intertel), which was incorporated in Delaware in January, 1970. The chairman of the board is James M. Crosby, head of Resorts International, Inc., which operates the Paradise Island Casino, Nassau, Bahamas. The purpose of Intertel is to conduct a consulting business relating to the protection of business firms of every type from the infiltration of organized crime and criminals. Peloquin is President and Hundley is the Secretary and General Counsel. Intertel has employed several former Federal Government investigators, including FBI Agents, Secret Service and Internal Revenue Service Agents.

During the past week, Intertel has been engaged by officials of the Hughes Tool Company to take over the management and operation of several of the hotels and casinos in Las Vegas, Nevada, which are owned and operated by Howard Hughes, multimillionaire industrialist.

Attached are summaries of information on William G. Hundley and Robert D. Peloquin.

ACTION: 3 ENCLOSURE

For information.

EX-113
REC-57

62-HQ-3468-WBS-6

15 JAN 8 1971

1 - Mr. Sullivan
1 - Mr. Bishop
1 - Mr. Rosen
1 - Mr. Gale
1 - Mr. Staffeld
1 - Mr. Ware

Enclosures

ARW:dlb
-7-

3 XEROX
JAN 8 1971

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U S DEPT OF JUSTICE
DEC 8 11 29 AM '70

JAN 4 11 24 AM '71
RFC'D SULLIVAN
FBI JUSTICE

RECEIVED-GALE
JAN 4 10 53 AM '71

RFC'D SULLIVAN
FBI JUSTICE

F B I
U S DEPT OF JUSTICE JAN 4 10 37 AM 1971

RECEIVED-TOLSON
F B I
JAN 5 11 08 AM '71

RECEIVED-GALE

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RECD BISHOP
JAN 11 11 07 AM '71

WILLIAM G. HUNDLEY

Hundley applied for the position of attorney in the Department of Justice in 1951 and an applicant investigation was conducted at that time. Bureau files do not show the date of his appointment, but in an interview subsequent to his leaving the Department he is quoted as saying that he had been an attorney there from 1954 to 1966.

William G. Hundley was born 8/16/25, at Pittsburgh, Pennsylvania, but was residing in Brooklyn, New York at the time of his application. He attended Fordham University and Fordham Law School, receiving his LL.B. Degree in June, 1950. He had served in the United States Army from 1943 to 1946; was employed by Dun and Bradstreet, New York City, from 1946 to 1947 as a clerk; and from 1947 to 1950 was a law clerk in the New York law firm of Donovan, Leisure, Newton, Lumbard, and Irvine.

In the Department Hundley was first assigned as an attorney in the Internal Security Division and was best known there for his handling of the Registration Act prosecution of John J. Frank. A conviction was obtained in the Frank case, but was reversed on appeal attributed to trial errors committed by Hundley. Hundley was moved to the Organized Crime Section of the Criminal Division in 1958, and subsequently became Chief of that section during the same year. In 1961, Attorney General Robert Kennedy replaced Hundley with Edwyn Silberling, but retained Hundley in the Department as an attorney. He then became chief again replacing Silberling in September, 1962. In 1966 Hundley left the Department to become Chief of Security for the National Football League. At the present time he has a law office in Washington, D. C., with Robert Peloquin and maintains his residence in a nearby Virginia suburb.

In October, 1958, it came to our attention that Hundley had expressed the opinion that the Department should have its own investigators in connection with organized crime. To this the Director noted, "If I recall correctly he (Hundley) had the Frank case reversed on him because of errors he committed. He had better learn how to handle his own interests."

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JAN 8 1971

62-113468-6

ENCLOSURE

In 1962, Hundley received considerable publicity as the result of his sitting with La Cosa Nostra member Joseph Valachi during Valachi's testimony before the McClellan Committee. He was quoted at length concerning the value of Valachi's defection from La Cosa Nostra in the "Capitol Stuff" column of the "New York Daily News" of 10/6/62. Regarding this the Director noted "Hundley certainly is a garrulous individual!"

The Boston "Globe" of 12/13/66 reported a number of comments made by Hundley including a statement to the effect that the FBI's introduction to "bugging" in 1961 was due primarily to its failure before that time to develop an adequate intelligence system about organized crime. This unfactual statement was made despite that fact that the Bureau had a well-devised and effective Criminal Intelligence Program dating back to the early 1940's. On a memorandum of 12/16/66, concerning this, Assistant to the Director DeLoach noted that "Hundley has also 'sold his soul'." To the comment by DeLoach the Director added, "I would agree if he ever had a soul."

DO-7

FROM

OFFICE OF DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

TO

OFFICIAL INDICATED BELOW BY CHECK MARK

MR. TOLSON	( )
MR. SULLIVAN	( )
MR. MOHR	( )
MR. BISHOP	( )
MR. BRENNAN, C.D.	( )
MR. CALLAHAN	( )
MR. CASPER	( )
MR. CONRAD	( )
MR. FELT	( )
MR. GALE	( )
MR. ROSEN	( )
MR. TAVEL	( )
MR. WALTERS	( )
MR. SOYARS	( )
MISS HOLMES	( )
MISS GANDY	( )
SEE ME	( )
NOTE AND RETURN	( )
PREPARE REPLY	( )
SEND MEMO TO ATTORNEY GENERAL	( )
FOR YOUR RECOMMENDATION	( )
WHAT ARE THE FACTS?	( )
HOLD	( )

I suggest attached be sent our boy at Las Vegas for his confidential information.

REMARKS:

#27938

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/88 BY [redacted]

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3 Bufiles

JAN 8 1971

ENCLOSURE 62-113468-6

ROBERT D. PELOQUIN — Sent

In 1958, the FBI conducted a Departmental Applicant investigation of Peloquin in connection with his appointment as an attorney. This investigation showed that he was born January 9, 1929, in Fall River, Massachusetts. He attended Georgetown University, College of Arts and Sciences, from 1947 to 1951 and graduated, receiving a B.S. degree. He went on active duty with the U.S. Navy from August 18, 1951, to June 4, 1955, being discharged as a Lieutenant (J.G.). His Naval service was favorable. He entered Georgetown University, School of Law, on February 2, 1953, and graduated October 1, 1956, receiving an LL.B. degree.

He was employed as an attorney in the Internal Security and Criminal Divisions of the Department of Justice from early 1957 to August, 1961, when he resigned to enter private law practice. During this period, he maintained a high regard for the Bureau and wrote to the Director on August 25, 1961, expressing his thanks for the many courtesies extended to him. He returned to the Department, date unknown, as an attorney in the Organized Crime and Racketeering Section. From January to August, 1967, he was in charge of the Buffalo, New York, Task Force, during which period he attempted to set up his own investigative organization, ignoring the responsibilities of the various Federal agencies, particularly the FBI. He resigned to enter law practice with William G. Hundley, former Chief of the Department's Organized Crime and Racketeering Section, and to assume the position of Chief of Security for the football leagues (August, 1967).

Peloquin has, since his resignation from the Department, been critical of the Director and the FBI as exemplified by his statements at the National Council on Crime and Delinquency conference at Buffalo, New York, on January 29, 1969, where he stated that the Director did not recognize the existence of organized crime until 1960 and it would be necessary for businessmen to "harass" the FBI to get any results on organized crime matters.

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HEREIN IS UNCLASSIFIED
DATE 3/11/88 BY [redacted]

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62-113405-6

January 5, 1971

62-113465-

Mr. Robert D. Peloquin
President
International Intelligence, Inc.
839 17th Street, N. W.
Washington, D. C. 20006

Dear Mr. Peloquin:

Mr. Hoover received your letter of December 31st and asked me to express his appreciation to you for your thoughtfulness in remembering his birthday. Your best wishes and offer of cooperation are also gratifying to him.

Sincerely yours,

Helen Gandy

Helen W. Gandy
Secretary

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HEREIN IS UNCLASSIFIED
DATE 3/11/88 BY #279938

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HRH:mrm (4)

SEE NOTE PAGE TWO

MAILED
JAN 5 1971
COMM-FBI

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Felt
Gale
Rosen
Tavel
Walters
Soyars
Tele. Room
Holmes
Gandy

MAIL ROOM ☐ TELETYPE UNIT ☐

JAN 13 1971

Mr. Robert D. Peloquin

NOTE: Peloquin is a former Departmental Attorney who is currently practicing law in the Washington, D. C., area with William G. Hundley, also a former Departmental Attorney. They are the originators of International Intelligence, Inc., a consulting organization, which has currently been engaged by officials of the Hughes Tool Company to take over the management and operation of several of the hotels and casinos in Las Vegas, Nevada, which are owned and operated by Howard Hughes. Although the Bureau enjoyed favorable relations with Peloquin during the time he worked for the Department, he has since been critical of the Director and the FBI and on 1-29-69 he was quoted as saying the Director did not recognize the existence of organized crime until 1960 and it would be necessary for businessmen to "harass" the FBI to get any results on organized crime matters.

INTERNATIONAL INTELLIGENCE, INC.
INTERTEL
839 SEVENTEENTH ST., N.W.
WASHINGTON, D. C. 20006
(202) 638-2179

375 PARK AVENUE
NEW YORK, N.Y. 10022
(212) 826-1081

ROBERT D. PELOQUIN
PRESIDENT

Mr. Bishop
Mr. Brennan CD
Mr. Callahan
Mr. Casper
Mr. Conrad
Mr. Felt
Mr. Gale
Mr. Rosen
Mr. Tavel
Mr. Walters
Mr. Sovars
Tele. Room
Miss Holmes
Miss Gandy

December 31, 1970

Honorable J. Edgar Hoover
Director
Federal Bureau of Investigation
United States Department of Justice
Washington, D.C. 20003

Dear Mr. Hoover:

I would like to join the legions of Americans who wish you a most happy birthday with many more to come.

I also convey to you the best wishes of the employees of INTERTEL, an organization of former government employees who have long admired your contribution to law enforcement, and the security of all our citizens.

Please be assured of our best wishes and continuing cooperation.

Sincerely,

Robert D. Peloquin

RDP:jms

62-113468-

NOT RECORDED
191 JAN 12 1971

JAN 8 1971

62-112482-9114

Miss Gandy
reply 1-5-71
hme
HRH/mrm

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ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/11/88 BY

CORRESPONDENCE

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1 - Mr. Scatterday
1 - Foreign Liaison (Detached)
1 - Mr. Staffeld, 1529 JB (Route Through for Review)

Legat, Ottawa [redacted]

1/12/71

Director, FBI 62-113468-7

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INTERNATIONAL INTELLIGENCE INC., aka.
Intertel
[redacted]

Reurlet 12/17/70 requesting information concerning captioned organization.

Enclosed is one copy of a news item which appeared in the 7/26/70 edition of The New York Times concerning International Intelligence, Inc. Also enclosed is one copy of a brochure setting forth the services provided by the organization.

For your additional information, no investigation has been conducted of this organization by the FBI. However, the files do reveal that this organization may be engaged on a contract basis to operate security and certain management phases of the Nevada casino-hotels owned by Howard Hughes. There has been a recent power struggle within the Hughes business complex which resulted in the ouster of Robert Maheu, director of Hughes Nevada operations, by Hughes Tool Company officials Chester C. Davis and Frank W. Gay. The Davis-Gay faction is reportedly the group which contemplates the employment of captioned organization. (62-113468)

Enclosures (2)

GHS:cs (6)

LAST FILE RECD P.M. 1/11/71

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Felt
Gale
Rosen
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Walters
Soyars
Tele. Room
Holmes
Gandy

MAILED
JAN 13 1971
COMM-FBI

JAN 18 1971

MAIL ROOM ☑ TELETYPE UNIT ☐

#279938

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA FPMR (41 CFR) 101-11.6

UNITED STATES GOVERNMENT

Memorandum

TO : DIRECTOR, FBI

DATE: 12/17/70

FROM : LEGAT, OTTAWA [redacted] (P)

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b7E

SUBJECT: INTERNATIONAL INTELLIGENCE INC., aka.
Intertel
[redacted]

DEC 23 1970

Enclosed are two copies of a self-explanatory clipping from the December 16, 1970 issue of the "Gazette," Montreal, P.Q.

It would be appreciated if this office could be furnished with any information available concerning this group in view of information indicating it is expanding to Toronto, Ontario.

3 - Bureau
1 Foreign Liaison Section Direct
1 - Ottawa

MLI:jl
(4)

#279938

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/11/88 BY [redacted]

REC 19

STAFFELD

62-113468

1-14-71

EX-112

DEC 22 1970

NAT. INT. SEC.

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LET. OTT
CLASSICS
1-12-71

5010-108

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan

[redacted]

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FBI
U.S. DEPT. OF JUSTICE
DEC 29 3 04 PM '70
NAME CHECK SECTION
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DOM INTELL DIV.
REC'D
DEC 22 3 33 PM 1970

JAN 13 1 51 PM '71

(Mount Clipping in Space Below)

Crime specialists plan expansion

WASHINGTON — (CP) — A ashington-based team of ecialists to protect business industry from being infil- ated by organized crime ans to expand with new fices in Toronto and Los ngeles within the next few onths.

The organization, International Intelligence Inc., is ose-mouthed about its plans, but gained some unwanted publicity recently with its involvement in the sensational struggle for power now going on within the billion-dollar empire of Howard Hughes in Nevada.

The Washington Post, in a lengthy study of the group known as Intertel describes it as a team of high-powered specialists on organized crime.

NOT DETECTIVES

But Intertel officials stress that they aren't private detectives, in that they don't trail suspect or eavesdrop, but are consultants.

Their aim, says president Robert D. Peloquin, is to provide guidance and information to help legitimate companies from blundering into mergers, joint ventures or acquisitions with firms secretly controlled by the Mafia or other criminal groups.

Officials say the firm now has a branch office in New York but recently closed its operations in Pennsylvania.

Peloquin, 41, a Washington lawyer, served as chief of the justice department's first organized crime strike force and as lawyer in the department's organized crime racketering section during the 1960s.

Other officers included a lawyer who was a special assistant to Attorney-General Robert F. Kennedy and a former chief of the justice department's organized crime strike force in Detroit.

(Indicate page, name of newspaper, city and state.)

"The Gazette," Montreal, P.Q.

Date: 12/16/70
Edition:
Author:
Editor:
Title: INTERNATIONAL INTELLIGENCE, INC

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b7E

Character:
or
Classification:
Submitting Office: OTTAWA

☐ Being Investigated

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/86 BY

4-22 (Rev. 1-22-60)

Federal Bureau of Investigation
Records Branch

Dec 29, 1970

- [ ] Name Searching Unit - Room 6527
- [ ] Service Unit - Room 6524
- [ ] Forward to File Review
- [ ] Attention _____
- [ ] Return to San Diego (1 SAC)
  Supervisor Room Ext.

Type of References Requested:

- [ ] Regular Request (Analytical Search)
- [x] All References (Subversive & Nonsubversive)
- [ ] Subversive References Only
- [ ] Nonsubversive References Only
- [ ] Main _____ References Only

Type of Search Requested:

- [ ] Restricted to Locality of _____
- [ ] Exact Name Only (On the Nose)
- [ ] Buildup [ ] Variations

Subject - International Intelligence Incorporated
Birthdate & Place _____
Address _____

Localities _____

R# _____ Date 12-29 Searcher Initials 319

Prod. _____

	FILE NUMBER	SERIAL
SL	62-113468	I
	International Intelligence Incorporation	
NY	62-101217-1	
	Identical (Dead)	
NF	[redacted]	b3 b7E
SL	62-94801-21	

ALL INFORMATION CONTAINED
HEREIN is UNCLASSIFIED
DATE 3/11/88 BY [redacted]

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OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Dalbey
Felt
Gale
Rosen
Tavel
Walters
Soyars
Tele. Room
Holmes
Gandy

TO : Mr. Sullivan

DATE: May 24, 1971
1 - Mr. Sullivan
1 - Mr. Rosen
1 - Mr. Mohr
1 - Mr. Bishop

FROM : A. Rosen

SUBJECT: FRED G. ROBINETTE
INTERNATIONAL INTELLIGENCE, INC.

The above-captioned former Agent came in to see me today indicating he had previously spoken to Mr. Sullivan a couple of weeks ago concerning a TV program which would discuss the Director and the FBI. It is noted that Sullivan's memorandum to Mr. Tolson dated May 7, 1971, refers to information previously furnished by Robinette and former Special Agent William A. Kolar concerning the program "Advocate."

Robinette indicated he had heard some comments by members of the legal profession concerning Jack Anderson's column which referred to the Director's books and royalties received therefrom. In view of these comments which pertained to the ethics of obtaining royalties, he expressed concern and indicated he would personally be very pleased to give any assistance which was desired in clarifying the Jack Anderson article. He felt it was purposely slanted. Robinette indicated he had learned that during the preliminary questioning in connection with the filming of the TV program certain questions were raised about the proceeds obtained by the Director from the books. This was prior to the time that Jack Anderson's article of May 11, 1971, appeared in the Washington Post.

It is noted that Mr. Bishop's memorandum of 5/14/71 to Mr. Mohr covered a phone call from Les Whitten of Jack Anderson's column. Whitten was attempting to obtain some comment from the Bureau concerning the disposition of the proceeds of the Director's books. Bishop made no comment to Whitten except to say he did not think Mr. Hoover owed any obligation to make a public accounting. The Director indicated that Anderson's scavengers are to get nothing.

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EX 101

REC-46 62-113468-8

ACTION TAKEN:

Robinette was advised that the information would be sent forward and his interest and concern were appreciated.

MAY 27 1971

AR:ige
(5)

XEROX
JUN - 7 1971

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No action necessary.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/88 BY [redacted]

COPY RETAINED IN PERSONNEL RECORDS UNIT

F B I
REC'D BISHOP
MAY 25 11 20 AM 1971

RECEIVED-DIRECTOR
F. B. I.
MOHR
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REC'D SULLIVAN
JUSTICE

REC'D SULLIVAN
JUSTICE

b6
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REC'D-ROSEN
FBI
MAY 25 1 48 PM '71

RECEIVED-TOLSON
F B I
MAY 25 9 57 AM 1971

FORM NO. 10
1962 EDITION
GSA GEN. REG. NO. 27
5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Dalbey
Felt
Gale
Rosen
Tavel
Walters
Soyars
Tele. Room
Holmes
Gandy

TO : Mr. Tolson

DATE: 6/9/71

FROM : W. C. Sullivan

#279938

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/88 BY [redacted]

Mr. Beaver
b6
b7C

SUBJECT: ANALYSIS OF ALLEGATIONS CONCERNING "INTERTEL" APPEARING IN SERIES OF ARTICLES IN LAS VEGAS SUN

William Kolar and Fred Robinette, who are associated with Intertel dropped by my office and left a package containing a voluminous analysis concerning allegations regarding Intertel Inc., and former Departmental Attorney Robert Peloquin, Intertel President, and their connections with organized crime which appeared in a series of articles in the "Las Vegas Sun" newspaper from March 21, 1971, to April 2, 1971. These individuals advised the volume contains their refutation of the attacks by Hank Greenspun, the editor of the "Las Vegas Sun."

They advised that they hope this will be made a part of the Bureau's files so that their refutation will be a matter of record. Our Las Vegas office has previously furnished copies of these articles which were written by Allen Witwer.

A review of the furnished volume reveals that each paragraph appearing in the series of articles has been set forth with Intertel's rebuttal printed opposite the paragraph. It was noted that approximately 50 percent of the paragraphs were followed by the notation that "This paragraph does not pertain to Intertel or any affiliated company." For the most part other paragraphs are merely followed with a notation that the statements are not true and categorically denied by counsel for Intertel. In brief the entire series appears to be nothing more than a series of name callings by innuendo on the part of Witwer with Intertel's response to each being "that isn't true."

Witwer, who claims to be a former manager of the DelCharro Hotel in LaJolla, California, makes reference in one paragraph to an inquiry made several years ago by the Internal Revenue Service concerning prominent guests of the DelCharro Hotel, including the Director. The Internal Revenue Service inquiry was made relative to the guests method of payment of bills. Witwer claims to have furnished no information in this regard.

CONTINUED - OVER

1 - Mr. Sullivan
1 - Mr. Gale
ENCLOSURE

WCS:beb

JUN 14 1971

JUN 11 1971

51 JUN 18 1971

62-113468

62-113468-9

NOT RECORDED
REC 25

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ENCLOSURE ATTACHED

NOT-27

PERS.

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REC-D BISHOP

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LEGAL COUNSEL

RECEIVED-DIRECTOR
F.B.I.

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CRIM INTELL SEC
SPECIAL INVEST DIV

JUN 10 3 17 PM 1971

F.B.I.
U.S. DEPT. OF JUSTICE

CRIM INTELL SEC
SPECIAL INVEST DIV

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RECEIVED-ROBSON
F.B.I.
U.S. DEPT OF JUSTICE

REC'D SULLIVAN

JUN 10 12 23 PM 1971

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F.B.I.
U.S. DEPT OF JUSTICE

JUN 10 12 23 PM '71

b6
b7C

Memorandum to Mr. Tolson
Re: Analysis of Allegations
Concerning "Intertel" Appearing
in Series of Articles in
Las Vegas Sun

Also referred to in the article are three former FBI Agents now employed by Intertel, namely; Daniel J. Sullivan, who resigned 9/12/58; Frank J. Smith who retired 9/12/69; and John D. O'Connell who retired 1/5/66. The article merely stated that these former FBI employes are now employed by Intertel.

Mr. Robinette and Mr. Kolar have indicated Intertel is considering a libel suit in the event a retraction or suitable explanation is not forthcoming from the "Las Vegas Sun."

ACTION:

For information purposes.

NOTE: References to the Director in the attached have been marked with grey tabs (Items 182, 184-186, 530 and 533).

WBS

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Dalbey
Felt
Gale
Rosen
Travel
Walters
Soyars
Tele. Room
Holmes
Gandy

TO : MR. TOLSON

DATE: 5-26-71

FROM : W. B. SOYARS, JR.

SUBJECT: INTERNATIONAL INTELLIGENCE, INC.
(INTERTEL)
INFORMATION CONCERNING

Pursuant to the Director's instructions to Inspectors Beaver and Soyars, contact was had with ASAC Mount C. Dulinsky, Jr., as SAC Campbell was at the Reno Resident Agency. Dulinsky was advised that we should not be in contact with Intertel and that if for any reason any member of that organization contacted our office we should be most circumspect in any dealings we had with them in accepting information.

Dulinsky advised that the Las Vegas Office was aware of the main officers of Intertel; namely, William G. Hundley and Robert D. Peloquin, and SAC Campbell had previously issued instructions to the agents to be careful if contacted by any representative of this company.

There is attached for the Director's information a copy of a Gale to Sullivan memorandum dated 12-9-70 which summarizes information in our files on Peloquin, the President of Intertel, and Hundley, the Secretary and General Counsel.

Enc.

WBS:crt
(2)

3 ENCLOSURE

REC-46 62-113468-10

#279938

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/88 BY [redacted]

18 JUN 14 1971

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b7C

57 JUN 21 1971

RECD - ROSEN
FBI

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F B I
LABORATORY DIVISION

FILES & COMM. DIVISION
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U.S. DEPT. OF JUSTICE

FRONT OFFICE
TRAINING DIVISION
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F.B.I.

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RECEIVED-GENERAL INVESTIGATIVE DIVISION
MAY 27 4 31 PM 1971

RECD-WALTERS
FBI
JUN 7 12 00 PM 1971

LEGAL COUNSEL
INSPECTION DIVISION
MAY 28 8 50 AM 1971

JUN 4 8 47 AM 1971

b6
b7C

MR. SULLIVAN December 9, 1970

J. H. GALE

WILLIAM G. HUNDLEY
ROBERT D. PELOQUIN
INTERNATIONAL INTELLIGENCE, INC.
INFORMATION CONCERNING

This memorandum is prepared in response to the request of Mr. Tolson for a summary of information on Hundley and Peloquin in Bureau files.

Hundley and Peloquin, attorneys, whose office is at 839 17th Street, N. W., Washington, D. C., formed a consulting organization, International Intelligence, Inc. (Intertel), which was incorporated in Delaware in January, 1970. The chairman of the board is James M. Crosby, head of Resorts, International, Inc., which operates the Paradise Island Casino, Nassau, Bahamas. The purpose of Intertel is to conduct a consulting business relating to the protection of business firms of every type from the infiltration of organized crime and criminals. Peloquin is President and Hundley is the Secretary and General Counsel. Intertel has employed several former Federal Government investigators, including FBI Agents, Secret Service and Internal Revenue Service Agents.

During the past week, Intertel has been engaged by officials of the Hughes Tool Company to take over the management and operation of several of the hotels and casinos in Las Vegas, Nevada, which are owned and operated by Howard Hughes, multimillionaire industrialist.

Attached are summaries of information on William G. Huddley and Robert D. Peloquin.

#27938
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/11/88 B [redacted]

b6
b7C

ACTION:

For information.

1 - Mr. Sullivan
1 - Mr. Bishop
1 - Mr. Rosen
1 - Mr. Gale
1 - Mr. Staffeld
1 - Mr. Ware

Enclosures

ARW:dlb
-7-

ENCLOSURE 62-113468-10

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tolson
Sullivan
Mohr
Bishop
Brennan, C.D.
Callahan
Casper
Conrad
Dalbey
Felt
Gale
Rosen
Tavel
Walters
Soyars
Tele. Room
Holmes
Gandy
Mr. Beaver

TO : THE DIRECTOR

DATE: 6-2-71

FROM : CLYDE TOLSON

SUBJECT: THE EXECUTIVES CONFERENCE

pg 2

An Executives Conference was held on 5-27-71. Those in attendance were Messrs. Mohr, Donahoe for Sullivan, Bishop, Brennan, Callahan, Jenkins for Casper, Conrad, Dalbey, Felt, Gale, Rosen, Tavel, Walters, Beaver and Soyars.

Pursuant to your instructions a number of items were brought to the attention of the officials in attendance:

The importance of a thorough investigation of the MEDBURG (Break-in of the Media Resident Agency) case was emphasized. It was pointed out that SAC Roy K. Moore should have cleared with the Bureau prior to rendering any decision as to the Bureau's position with respect to a Grand Jury in Philadelphia in connection with the case. At the same time, your instructions relative to being very careful in our dealings with Assistant Attorney General Mardian were pointed out.

The necessity for being on sound ground in requesting authority of the Attorney General for telephone surveillances was stressed. Your opinion that this is a sloppy way to do an investigation, except through the use of court approved telephone surveillances, was brought to the attention of those present, along with your instructions that we should keep down the number of such sources and that we should limit as much as possible the number of persons within the Bureau who have access to information as to the existence of such sources.

62-113468-

It was made clear to all present that at any time officials of the Department are being contacted on any policy consideration which affects the Bureau, Mr. Dalbey is to attend. It was noted that this was not done in connection with a recent conference held between Supervisors of the Domestic Intelligence Division and Deputy Assistant Attorney General A. William Olson of the Internal Security Division of the Department at which time discussion ensued as to proposed changes in procedure requesting Attorney General authority for electronic surveillances.

NOT RECORDED
203 JUN 17 1971

WBS:RRB:crt
(5)

JUN 17 1971

66 JUN 30 1971

Mr. Casper

11 JUN 16 1971

SIX

THREE

TWO

ORIGINAL FILED IN 52-94327-2199

Copy filed in 66-2554

Memorandum to the Director
Re: The Executives Conference

Your statement that in connection with any inquiries we receive concerning the Shaw matter a "No Comment" should be given was brought to the attention of the Conference. Similarly, it was pointed out that Jack Anderson is to receive no information of any type from the Bureau.

A run-down was had concerning International Intelligence, Inc., (INTERTEL) and, in particular, its head officers, Robert D. Peloquin, the President, and William G. Hundley, the Secretary and General Counsel. It was pointed out that instructions had been issued to our Las Vegas Office to have nothing to do with this organization.

The Conference was told to be alert for any incoming mail requesting anything of the Bureau or any comments from the Bureau. They were told to make sure that the people and/or organizations requesting such data are not on the extreme right or extreme left. It was noted that we should not give individuals in these categories such information in order that we can avoid any basis for criticism in the future.

The Conference was informed that after the annual leave and commitment chart is submitted there are to be no additions to it. It was emphatically pointed out that no Assistant Director is to be away at the same time as his Assistant to the Director. This applies to weekends as well as during the workweek. Furthermore, neither Brennan nor Sullivan is to take any annual leave while the EASTCON case is pending. Similarly, your instructions were issued that no one is to take leave when any vitally important matter is pending within their respective divisions. This means Assistant Directors, #1 Men, Section Chiefs, and Supervisors. Likewise, it was made crystal clear that SAC Roy K. Moore, on special at Philadelphia, and SAC Jamieson, in Philadelphia, are not to take any leave until the MEDBURG case is solved. It was also pointed out that it would appear if a case breaks in the absence of an official from headquarters he should voluntarily return to handle the matter. In this respect, your comment that leave is a privilege not a right was brought to the attention of the Conference.

For information.

Repeat this at this week's meeting since Sullivan & Cleveland were not present. M.

DO-7

FROM

OFFICE OF DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

TO

OFFICIAL INDICATED BELOW BY CHECK MARK

MR. TOLSON ( )
MR. SULLIVAN ( )
MR. MOHR ( )
MR. BISHOP ( )
MR. BRENNAN, C.D. ( )
MR. CALLAHAN ( )
MR. CASPER ( )
MR. CONRAD ( )
MR. DALBEY ( )
MR. FELT ( )
MR. GALE ( )
MR. ROSEN ( )
MR. TAVEL ( )
MR. WALTERS ( )
MR. SOYARS ( )
MISS HOLMES ( )
MISS GANDY ( )

SEE ME ( )
NOTE AND RETURN ( )
PREPARE REPLY ( )
SEND MEMO TO ATTORNEY GENERAL ( )
FOR YOUR RECOMMENDATION ( )
WHAT ARE THE FACTS? ( )
HOLD ( )

REMARKS:

RECEIVED
FILES & COMMUNICATIONS DIVISION
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FRONT OFFICE
TRAINING DIVISION
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LABORATORY DIVISION

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LEGAL COUNSEL

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FRONT OFFICE
INSPECTION DIVISION

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RECD-WALTERS
FBI

INTERNATIONAL INTELLIGENCE, INC.

62-113468-11

REC- 32

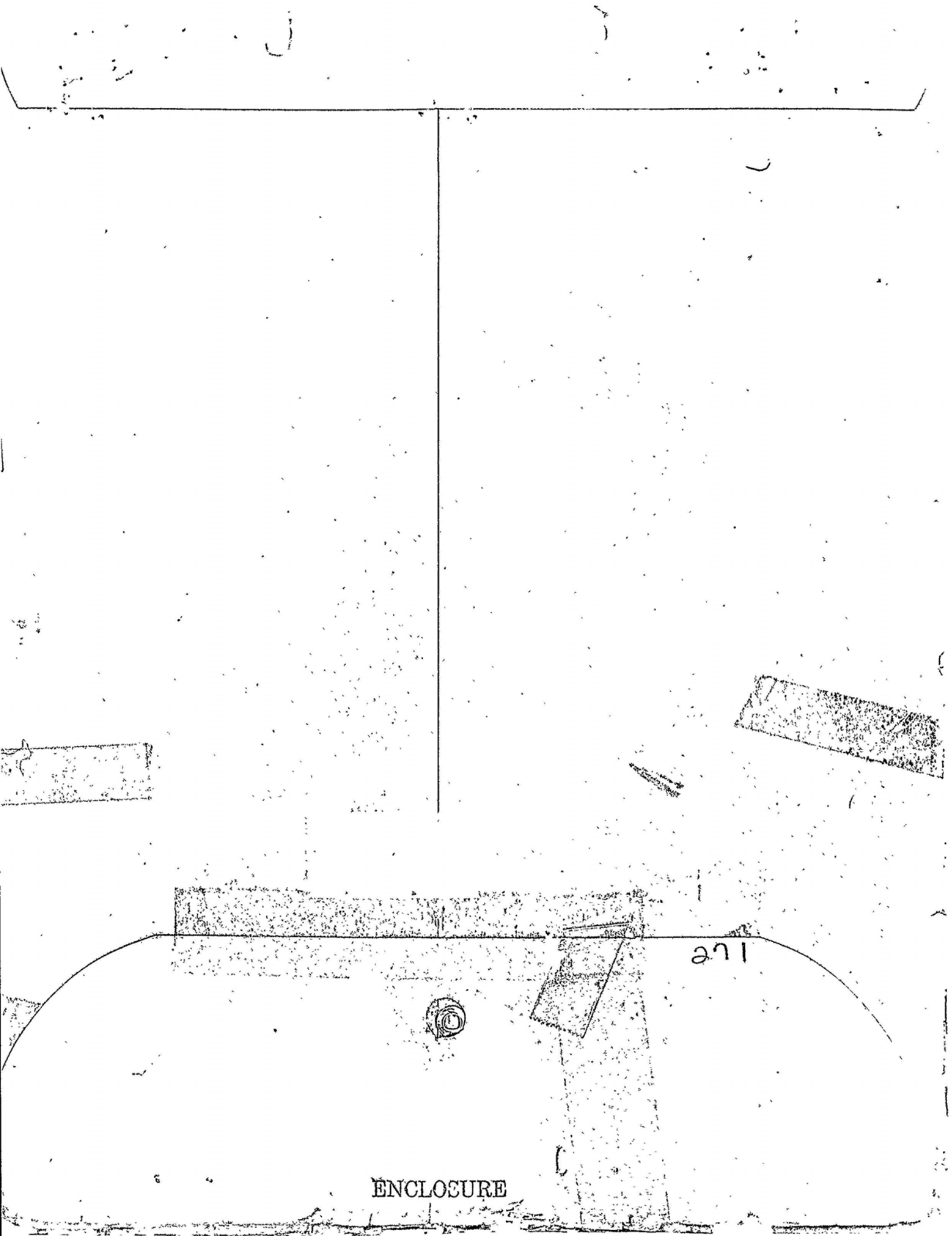
EX-113

ENCLOSURE

JUN 28 1971

"ENCLOSURE ATTACHED"

59 JUN 29 1971



ENCLOSURE

As reported in

FORTUNE

THE WALL STREET JOURNAL

The New York Times

Intertel
INTERNATIONAL
INTELLIGENCE
INCORPORATED

A unique consulting organization created specifically to **safeguard** business from the hidden risks of vulnerability to criminal elements & to **assist** the states and cities in the developing of comprehensive crime controls. **Intertel** INTERNATIONAL INTELLIGENCE INCORPORATED

62-113468-11

"Crime Busters, Corporate Style," was the way the headline in Fortune magazine summed up Intertel's mission.

"Want to Keep Mafia Out of Your Office? New Firm Tells How," headlined The Wall Street Journal.

"Concern Fights Crime in Business," read the headline in The New York Times.

Fortune, America's leading business magazine; The Wall Street Journal, the country's leading business newspaper, and The New York Times, the unanimously acclaimed leading general newspaper in the United States, each in its own way reported on International Intelligence Incorporated —Intertel for short.

How the cited newspaper stories told the story of Intertel, its services and objectives, is presented in the following pages.

Crime Busters, Corporate Style

An article on Intertel appeared in the June, 1970, issue of Fortune magazine, in the "Businessmen in the News" section. It was illustrated by a photograph of Robert D. Peloquin, President of International Intelligence, Inc., and William G. Hundley, Secretary and General Counsel.

"Locking the door of the barn before the horse is out," Fortune quoted Mr. Peloquin's description of the job of Intertel. In its own words, Fortune added that the new firm was "designed to guard business concerns against inadvertent involvement with the Mafia and other criminals."

Noting that Mr. Peloquin, founder and President of the firm, once headed the Justice Department's strike force against organized crime and that his associates have similar crime-fighting backgrounds, Fortune added:

"The company endeavors to supply firms contemplating mergers, acquisitions, joint ventures, franchise granting, etc., with data that may reveal criminal connections or infiltration. Intertel's sleuths will have no access to secret government files but will rely on their own contacts to conduct investigations. A growing awareness of the Mafia's involvement in business is one reason for starting such a firm now."

"Law enforcement is capable of dealing with the problem once a law has been broken," Fortune quoted Mr. Hundley, noting his fifteen years experience in the Justice Department. "But it can't do anything until then. This is the hiatus we are trying to fill."

The article concluded with the information that Intertel, from its headquarters in Washington, D.C., will operate offices in New York, Chicago and elsewhere.

Want to Keep Mafia Out of Your Office? New Firm Tells How

Onetime Lawmen Have Formed Concern to Help Businesses Prevent Crime Infiltration

The above headline appeared over an article about Intertel in The Wall Street Journal, May 4, 1970. It was written by Stanley Penn, staff reporter of The Wall Street Journal, who has had long experience in covering news about organized crime.

Mr. Penn began his report as follows:

"A former crime fighter for the Justice Department has formed an unusual consulting company whose purpose is helping legitimate business from being infiltrated by organized crime."

After pointing out that Intertel's headquarters would be in Washington and identifying its founder and President, Robert D. Peloquin, as former Chief of the Justice Department's first Organized Crime Strike Force; and William G. Hundley, the company's Secretary and General Counsel, as a former head of the Department's Organized Crime and Racketeering Section, the article set forth the following information:

International Intelligence was starting with a staff of 14 executives, 13 of whom had been law enforcement officials.

Mr. Peloquin said, in an interview, the article continued, that Intertel would seek to provide the necessary guidance and information to help legitimate companies from blundering into mergers, joint ventures or acquisitions with concerns secretly controlled by the Mafia and other mobsters.

So far, International Intelligence has signed up six "major" corporate clients, Mr. Peloquin said.

The Wall Street Journal article noted that for the past several years Mr. Peloquin, as a Vice President of a subsidiary of Resorts International, Inc., had been in charge of security for a Resorts-owned gambling casino on Paradise Island in the Bahamas.

"In that role," the article continued, "Mr. Peloquin hired surveillance men and set up internal controls designed to prevent the illegal 'skimming' of casino profits. Resorts and officials of the Bahamas government have said they are satisfied that the casino is free of any criminal taint."

The article pointed out that Mr. Peloquin was remaining as a Vice President of the Resorts subsidiary and that both he and Mr. Hundley would retain their Washington law firm whose clients include the National Football League, Time Inc., the London Daily Mail and Resorts.

The article continued as follows:

"Mr. Peloquin said that executives of International Intelligence won't serve as detectives. They won't trail suspects and won't eavesdrop on conversations. They will be consultants only. Mr. Peloquin noted that law enforcement officials, because they lack jurisdiction, are often powerless to act against Mafia infiltration until a crime has been actually committed.

"The Justice Department and the Internal Revenue Service have repeatedly warned of the growing influence of the Mafia in legitimate business. Organized crime, it has been contended, has forged links with thousands of concerns and businessmen in electronics, trucking, banking, construction, real estate and food and health services.

"Mr. Peloquin said International Intelligence is prepared to help clients reduce

thefts by stamping out criminal activity within their concerns; to help state and local governments develop 'action' programs to fight crime, narcotics and civil disturbances; to assist banks, brokerage firms and stock exchanges in establishing procedures to identify stolen stocks, bonds and credit cards and to provide the management expertise in the operation of legal casinos and off-track betting, among other things."

It concluded with the information that Intertel would have offices in New York, Chicago, Los Angeles, Philadelphia and Canada; that John D. O'Connell and attorney and former Federal Bureau of Investigation agent was Executive Vice President and head of the New York office; the company's two Vice Presidents were Thomas J. McKeon, a former crime chaser for the Justice Department, and William A. Kolar, who was retiring as Director of the IRS Intelligence Division.

The only Intertel executive who hasn't been a crime fighter, the article noted, is Raymond M. Gore, the Treasurer, also a Vice President, Finance, for Resorts International.

Concern Fights Crime in Business

That was the headline The New York Times used on Sunday, July 26, 1970, over a lengthy Washington dispatch on the unusual new consulting organization. The dispatch began on the first page of the business-financial section and continued on an inside page. It was more than 1500 words long and was illustrated by a photograph of Robert D. Peloquin, President, and William G. Hundley, Secretary and General Counsel, of Intertel.

The author of the dispatch, Frank J. Prial, a New York Times staff writer, began with these words:

"International Intelligence, Inc.—Intertel for short—sounds like a title by Ian Fleming, and the analogy is not completely inappropriate. Founded recently by two former United States Department of Justice experts on organized crime and situated here, Intertel is a company created primarily to combat the growing problem of underworld infiltration into legitimate business. The principals say it is the only organization of its kind in the world."

Prial then posed a series of questions:

Were the cargo facilities at a major truck terminal or even a giant airport riddled with or controlled by criminals? Intertel was prepared to advise on cleaning—and keeping —them out.

Was a major motel chain worried about some potential franchise holders? Intertel men probably would know immediately if the would-be franchisees were mobsters and Intertel claimed if the "hot money" investors were hidden Intertel was prepared to root them out.

Was a large city police department mired in graft? Intertel specialists would prepare a detailed analysis of the problem and indicate how to deal with, if not eradicate, the corruption.

Was a gambling casino in the Caribbean an obvious plum for hoodlums from the United States? Intertel would provide complete security services and guarantee that the casino was honestly run.

"And these are not hypothetical examples," the writer went on. "Intertel is, or soon will be, involved in all of them. Most of its work is confidential, but its reputation is based in part on its success in operating the gambling casino on Paradise Island, just off Nassau in the Bahamas."

The Wall Street story told how that casino, opened in 1968, had provided its owners, Resorts International, Inc., the former Mary Carter Paint Company, with much of the capital for the development of Paradise Island, which Resorts bought from Huntington Hartford, the A & P heir, in 1966; and how from a flat strip of scrub pine and palmetto called Hog Island, it had been transformed into "a gaudy, Miami-like tourist center in just a couple of years."

The Times correspondent then pointed out:

"The present Bahamas government, elected to office in the wake of a gambling scandal in the islands, is hypersensitive about what goes on in its casinos. This prompted the chairman of Resorts International, James Crosby, to hire a former Justice Department crimebuster named Robert D. Peloquin to police the operation. From that arrangement, called Paradise Enterprises, Inc., grew Intertel, of which Mr. Peloquin is President and William G. Hundley, another Justice Department alumnus, is Secretary and General Counsel."

The article reviewed Mr. Peloquin's record as chief of the Justice Department's first Organized Crime Strike Force, and as top attorney in the Department's Organized Crime and Racketeering Section; and Bill Hundley's record as a special assistant to Attorney General Robert F. Kennedy, and chief of the Organized Crime and Racketeering Section.

"Intertel will take on unusual tasks such as controlling gambling in casinos—at least one foreign government already has approached the company about running its casinos—and it will handle routine jobs, such as setting up antitheft controls for a large New York City restaurant chain," the article went on. "But Mr. Peloquin insists, Intertel's primary function is as a consultant on corporate problems. 'We work as systems consultants' he emphasized. 'We're not there just to catch the thief.' "

"Some 60 per cent of all organized crime's income derives from legitimate business," Peloquin was quoted in the article, "and we can render our most valuable service by helping to keep that figure from growing. Suppose a firm is thinking of acquiring a company in the vending machine business. Some of them are well run and completely clean. But, hook up with the wrong one, and you may find that your new partner is a Mafia boss."

The Times article added that by "drawing on their wide knowledge of mob-owned companies and hidden underworld investments, Intertel experts say, they can help honest businessmen learn about prospective merger and acquisition and franchise candidates."

"With the aid of correspondents and contacts all over the world," the article continued, "Intertel is prepared to advise business clients about racket-controlled labor

unions, on rooting gamblers and loan sharks out of offices and plants, and on systems to prevent the theft of credit cards and the use of stolen ones."

"We can guide banks and insurance companies planning to make large loans in areas where organized crime is known to be present," Mr. Peloquin was further quoted. "Such as certain parts of the construction industry. For stock exchanges and brokerage houses, we have men versed in Securities and Exchange Commission regulations who are equipped to quickly identify stolen or fraudulent stocks or bonds and to set up security systems to prevent further thefts."

The Times writer noted that Intertel charged fees much like lawyers: on either a retainer or hourly fee basis, or both, then added:

"Drawing on their acquaintance with former Federal lawmen, Mr. Peloquin and Mr. Hundley have assembled a formidable, full time staff of crime fighters into what Mr. Peloquin likes to call: 'the first organized crime strike force in the private sector.' "

The article then identified John D. O'Connell, Executive Vice President, who heads Intertel's New York office at 375 Park Avenue, and who served 24 years as an agent of the Federal Bureau of Investigation and supervised F.B.I. intelligence activities dealing with organized crime; Thomas J. McKeon, Vice President and Assistant General Counsel, who headed a Justice Department strike force in Detroit that sent a number of top mob figures to prison; William A. Kolar, Vice President, who was a former director of the intelligence division of the Internal Revenue Service and before that served eight years as an F.B.I. agent.

And Fenelon Richards, who was director

of enforcement for the United States Bureau of Customs and who also serves as director of security for Resorts International; David Belisle, who was deputy director of security for the Department of State and formerly director of investigation for the super-secret National Security Agency.

And James Golden, former Secret Service Agent, who was in charge of security at the 1968 Republican National Convention, and Warren Adams, who was in charge of the gaming squad for Clark County (Las Vegas), Nevada; and Raymond M. Gore, the Treasurer, who is not a former lawman but who also serves as Vice President, Finance of Resorts International.

The Times writer cited Mr. Peloquin's example of Intertel's type of service. A widely known, publicly owned corporation was the subject recently of several government investigations. "They had management problems," Mr. Peloquin said. "They got mixed up with the wrong people. If we had been around at the time, and if they had consulted us, we could have saved them a lot of grief."

Intertel CORPORATE

BOARD OF DIRECTORS

CHAIRMAN

James M. Crosby
Chairman of the Board
Resorts International, Inc.*

DIRECTORS

Sir Ranulph Bacon, K.B.
Commissioner, Scotland Yard (Ret.)

Jerome S. Hardy
Executive Vice President
Dreyfus Corporation
former Publisher, LIFE Magazine

James E. Hawthorne
President
Carte Blanche

Edwin C. McDonald
President and Chairman of the Board
Royal Bank of Canada Trust Company
Chairman of the Board
Thomas Newspapers, Inc.

Commissioner M.F.A. Lindsay
Royal Canadian Mounted Police (Ret.)

David L. Yunich
President, Macy's of New York
Board of Directors
Prudential Life Insurance Co.

Robert D. Peloquin
President, INTERTEL

William G. Hundley
Secretary and General Counsel
INTERTEL

Resorts International, Inc., has provided the financial backing to INTERTEL and is presently its majority stockholder.

DIRECTORY

OFFICERS

Robert D. Peloquin
President
Former Senior Attorney
Organized Crime and Racketeering Section
United States Department of Justice

William G. Hundley
Secretary and General Counsel
Former Chief
Organized Crime and Racketeering Section
United States Department of Justice

Raymond M. Gore
Treasurer
Vice President (Finance)
Resorts International, Inc.

Thomas J. McKeon
Vice President and Asst. Gen. Counsel
Former Chief
Organized Crime Strike Force
United States Department of Justice
Detroit, Michigan

William A. Kolar
Vice President
Former Director
Internal Security and Intelligence Divisions
United States Internal Revenue Service

John D. O'Connell
Executive Vice President (Northeast)
Former Special Agent
and Intelligence Supervisor
Federal Bureau of Investigation

J. Shane Creamer
Executive Vice President (Mid-Atlantic)
Former Executive Director
Pennsylvania Crime Commission
and Chief of the Federal Strike Force
on Organized Crime
Philadelphia, Pennsylvania

G. J. Bologna
Executive Vice President (Southeast)
Former District Director
Bureau of Drug Abuse Control
United States Food and Drug
Administration

Printed in U.S.A.

HEADQUARTERS
839 Seventeenth St. N.W.
Washington, D.C. 20006
Phone (202) 638-2179

Offices also located in
New York, N.Y., Philadelphia, Pa.
and Atlanta, Ga.

Intertel
INTERNATIONAL
INTELLIGENCE
INCORPORATED

A unique consulting organization created specifically to safeguard business from the hidden risks of vulnerability to criminal elements and to assist the states and cities in development of comprehensive crime controls. **Intertel** INTERNATIONAL INTELLIGENCE INCORPORATED

63-113402-1

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*Resorts International, Inc., has provided the financial backing to INTERTEL and is presently its majority stockholder.

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Former Senior Attorney
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Organized Crime and Racketeering Section

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Former Chief
Organized Crime and Racketeering Section
United States Department of Justice

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Former Chief
United States Department of Justice
Organized Crime Strike Force
Detroit, Michigan

William A. Kolar, Vice President
Former Director
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United States Internal Revenue Service

John D. O'Connell, Executive Vice President (Northeast)
Former Special Agent and Intelligence Supervisor
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J. Shane Creamer, Executive Vice President (Mid-Atlantic)
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Bureau of Drug Abuse Control
United States Food and Drug Administration

Biographies of officers and staff on Page 9

THE LEGITIMATE BUSINESS: PRIME TARGET OF ORGANIZED CRIME

Until now business men concerned about the infiltration of organized crime into their legitimate business had no place to turn for positive advice.

INTERTEL is a unique consulting organization created specifically to provide businesses, industrial concerns and trade associations with expertly designed management systems that enable them to repel infiltration by organized crime; and to provide proven professional guidance to governmental entities in the development of programs that would qualify them for federal planning grants and action grants in the various disciplines related to the administration of Justice.

INTERTEL has been of service to clients in the fields of newspaper and magazine publication, air and land cargo transportation, hotel services, real estate, legitimate gaming, banking, investment, retail sales, professional sport services, and manufacturing.

INTERTEL has also been of service to State Legislatures, Executive Departments and Crime Commissions.

THE SCOPE OF INTERTEL

Corporate and Retail Services

INTERTEL surveys possible risks and assists management in the establishment of intelligence systems and procedures to reduce losses from various forms of existing and potential criminal activity.

We provide management with the necessary intelligence service and guidance on possible exposure to organized crime through companies with whom they do business or with whom they are considering business relationships, whether through merger, acquisitions, joint venture or the granting of franchises.

We analyze a company or complex of companies to create a security system designed to uncover and thwart employees with criminal backgrounds and/or intentions. Systems we develop help detect and prevent industrial espionage, pilferage and thefts, defalcation by corporate officers and key employees.

Governmental Services

INTERTEL provides guidance to state and local government agencies and departments in the development of plans for research and action in the various disci-

plines related to the administration of justice.

We advise and consult with executive agencies and legislative committees in the drafting of legislation to combat organized crime activity more effectively.

Professional Sport Services

INTERTEL provides the intelligence service, systems and expert personnel to major professional sports organizations to cope with criminal efforts at influencing sport results.

Trade Association Services

INTERTEL provides local or industry-wide associations the necessary intelligence service to alert them to organized crime within their industries. We further provide those associations with a ready means of obtaining accurate information about individuals, groups or companies that may be potentially or actually under the influence or control of criminal elements.

Stock Exchanges, Brokerage Houses, Banks, Credit Card Services

INTERTEL assists in the establishment of intelligence and criminal detection systems to prevent the theft of stocks, bonds, treasury certificates and other securities. We assist in the establishment of systems and procedures that rapidly identify stolen or fraudulent stocks, bonds or treasury certificates.

We provide management with security systems to reduce or prevent the use of fraudulent or stolen credit cards.

Legitimate Gaming Services

INTERTEL provides the necessary management and security expertise in the operations of legitimate casinos on a worldwide basis.

We consult with state and city officials, as well as officials of foreign governments, to aid them in establishing systems for the operation of crime-free, centrally controlled gambling facilities in racing, lotteries or other similar operations.

Insurance Industry and Pension Fund Trustees Services

INTERTEL provides the intelligence service and guidance needed by insurance companies, pension fund trustees and others investing heavily in construction and land development.

ORGANIZED CRIME'S CURRENT GUISE

Organized criminals who injure business today do not look like stereotyped criminals. They are executives and technicians. Their forte is manipulation of computer information, tampering with accounting procedures, theft of trade secrets and invasion of confidential company files. They thrive on exercising dangerous influence over key employees and executives in parent or subsidiary companies, and the corruption of associates, suppliers, distributors, customers and competitors.

Those are vulnerable areas through which organized crime can penetrate and ultimately control a business or an industry.

Those are the areas largely overlooked by management in many businesses.

Organized crime cannot be disregarded. Its influence will not disintegrate on its own. Affirmative action must be taken by the business community.

Consideration must be given to the integrity of management and key officials in companies with whom any business relationship is contemplated. Are their money sources legitimate or do they represent part of the $7 to $10 billion profit organized crime nets every year from illegal operations and wants to invest in legitimate business?

INTERTEL has the unique capability of studying your company, analyzing the potential for such losses in its various divisions or subsidiaries and identifying the areas of vulnerability. We can recommend new management systems, or improvements of existing ones. We can provide the necessary intelligence about businesses and management with whom you are considering a merger, acquisition, joint venture or other relationship. Management thus can avoid loss of profits, dissipation of assets, and ruin of business reputation.

PROGRAMS OF STATE AND LOCAL GOVERNMENTS

National administrations representing both major political parties long have held that although the control of crime constitutes a direct responsibility of state and local governments, it nevertheless must be supported by the Federal Government. Large grants therefore have been federally authorized for a wide variety of crime control programs.

On the basis of these authorizations, State Planning Agencies have been created in each state to apply for the Federal grants. These planning and action grants have been made available in such diverse fields as court administration, public defender and prosecutor programs, police administration, juvenile delinquency and youth offender problems, corrections and rehabilitation, civil disorders and community relations, narcotic treatment facilities and crime control.

It is clearly apparent that the future of our country in large measure depends upon how effectively we as a people address ourselves to the formidable and complex problems in these areas and, no less, to the skills and experience of the persons assigned the tasks of coping with these problems.

Official action has begun. And many state and local government authorities throughout the country who have the responsibility for effective action are seeking expert guidance in planning and implementing programs specially devised to meet the needs in their areas.

INTERTEL can suggest innovative, comprehensive and practical approaches to state, city and community agencies and groups seeking support of programs in the broad field of crime control and administration of justice. We also have the ear of the business community and desire to enlist business in helping to solve the problems common to business and government.

Robert D. Peloquin,
President,
and William G. Hundley,
Secretary and
General Counsel
(standing)

PRINCIPAL OFFICERS AND PROFESSIONAL STAFF MEMBERS

Obviously, the success of any consulting service is dependent upon the quality of its professional staff. The executives and staff of INTERTEL possess tested high-level experience in combatting organized crime that is unique in the world of business.

Robert D. Peloquin, President, was the Chief of the initial United States Department of Justice Organized Crime Strike Force, and Senior Special Attorney in that Department's Organized Crime and Racketeering Section. He is a member of the Bar of the District of Columbia. Mr. Peloquin has been associate counsel to the Commissioner of Professional Football. He is a Commander, United States Naval Reserve, as an Intelligence Specialist.

William G. Hundley, Secretary and General Counsel, was the Chief of the Organized Crime and Racketeering Section, Criminal Division, United States Department of Justice. He is a member of the Bars of the State of New York and the District of Columbia. Mr. Hundley has been counsel to the Commissioner of Professional Football.

Raymond M. Gore, Treasurer, is a Certified Public Accountant licensed by the State of New York. He has been Managing Accountant with Price Waterhouse and Company, and is the Vice President—Finance with Resorts International, Inc. Mr. Gore is a member of the American Institute of Certified Public Accountants and of the New York Society of Certified Public Accountants.

Thomas J. McKeon, Vice President and Assistant General Counsel, was the Chief of the United States Department of Justice Organized Crime Strike Force in Detroit, Michigan, and Senior Trial Attorney in that Department's Organized Crime and Racketeering Section. He is a member of the Bars of the State of Connecticut and the District of Columbia and is admitted to practice before the United States Supreme Court. He was Chief, Special Projects Section, National Security Agency, Washington, D. C. He is a member of the National Chamber of Commerce's Advisory Panel on Crime Prevention and Control.

William A. Kolar, Vice President, was the Director of the Intelligence Division of the United States Internal Revenue Service, directing the investigative activities of fifty-eight District Offices and 1,900 Special Agents. He was formerly Director of the Internal Security Division of the Internal Revenue Service, and the Chief Investigator for a United States Senate Judiciary Subcommittee. Mr. Kolar was a Special Agent of the Federal Bureau of Investigation for eight years, specializing in espionage investigations.

John D. O'Connell, Executive Vice President (Northeast), is a former Special Agent of the Federal Bureau of Investigation having served twenty-four years as supervisor of intelligence activities. He specialized in organized crime and racketeering investigations. He is a member of the Bar of the State of New York, and is admitted to practice before the United States Supreme Court. He was the New York legal and security consultant for the Commissioner of Professional Football and several national corporations.

J. Shane Creamer, Executive Vice President (Middle Atlantic), was the former Executive Director of the Pennsylvania Crime Commission and Deputy Attorney General in charge of the Administration of Criminal Justice for the State of Pennsylvania. He recently was the Special Assistant in charge of the Attorney General's Strike Force on Organized Crime in Philadelphia. Mr. Creamer formerly was the Principal Assistant to the United States Attorney, directing investigations into organized crime in Philadelphia for six years. He is a member of the Bars of the State of Pennsylvania and the District of Columbia.

G. J. Bologna, Executive Vice President (Southeast), was District Director of the New Orleans and Baltimore Districts, Bureau of Drug Abuse, United States Food and Drug Administration. He also served as assistant counsel and chief accountant of the United States Senate Antitrust and Monopoly Subcommittee and as an investigative supervisor for the Labor and Treasury Departments. He holds degrees in accounting and law and most recently served as Director, Nashco Equipment and Supply Company.

Fenelon A. Richards was the Director of Enforcement, United States Bureau of Customs, with worldwide supervisory responsibility over 750 customs agents and investigators. He has thirty years' ex-

perience in criminal investigations in the United States Department of Justice and the Bureau of Customs. Mr. Richards was Senior Customs representative assigned to the initial Department of Justice Organized Crime Strike Force. He is presently Vice-President, Security for Paradise Island, Ltd.

Gary L. Gardner was counsel to the New Jersey State Commission of Investigation. He has been a trial attorney in the Organized Crime and Racketeering Section, Criminal Division, United States Department of Justice, and Special Attorney in that Department's Organized Crime Strike Force in the Western District of New York. Mr. Gardner was an Assistant United States Attorney in the Western District of New York specializing in organized crime prosecutions.

David I. Belisle was the Chief of Administration, United States Embassy, Bonn, Germany. Previously, he was Deputy Director of Security for the Department of State. Mr. Belisle has been Director of Investigations for the United States National Security Agency. He is a Commander, United States Naval Reserve, as an Intelligence Specialist.

Paul G. Mahon was a Special Agent, Intelligence Division, Internal Revenue Service. He has been Supervisor of Special Organized Crime Intelligence Squads in that Division. Mr. Mahon has more than twenty-four years of experience investigating criminal cartels on a national and international scale.

Robert M. Ornstein was a trial attorney in the Organized Crime and Racketeering Section, Criminal Division, United States Department of Justice and Special Attorney, Organized Crime Strike Force in the Eastern District of New York. Mr. Ornstein is a member of the Bar of the State of New York.

James O. Golden was a Special Agent in the United States Secret Service, specializing in Presidential security. He was the Director of Security for the 1968 Republican National Convention in Miami, Florida. He has been Washington representative for General Mills Company and for the Lockheed Aircraft Corporation. Mr. Golden is presently Director of Security for Paradise Island, Ltd.

Warren Adams was Officer-in-Charge of the gaming squad, Clark County Sheriff's Department, Las Vegas, Nevada. An internationally recognized expert in the prevention of cheating in casino operations, Mr. Adams is the chief casino security officer, Paradise Island, Bahamas.

Alfred A. Pease was a Senior Instructor engaged in training of police and security personnel from various nations throughout the world in investigative techniques at the International Police Services, Inc., Washington, D. C., for six years. Previously, he handled police and security liaison for the United States Department of State in Italy and South America for fourteen years. Mr. Pease formerly was a supervisory agent of the Federal Bureau of Investigation for seven years.

Intertel

HEADQUARTERS

839 Seventeenth St. N.W.
Washington, D.C. 20006
Phone (202) 638-2179

Offices also located in
New York, N. Y., Philadelphia, Pa.
and Atlanta, Ga.

1/28/72

MR. TOLSON:

I thought the Director would be interested in the attached letter I received from Fred G. Robinette, concerning his recent inquiry on behalf of Intertel for any fingerprint cards we might have on Howard R. Hughes.

In accordance with the Director's instructions, I called Robinette and told him since Intertel was a national private detective agency, it was not entitled to any information in our files. At the time, Robinette was nonplussed and went to great lengths to explain to me that Intertel was not a national private detective agency as some people thought but rather was a consulting firm and that it did not engage in conducting surveillances, either physical or technical. I told him in any event the firm still was not entitled to any information in our files.

My conversation with Fred, of course, was friendly since I have known him for many years and I saw him most recently the other night at the Congressional Night of the Former Agents Society, at which time we had a pleasant, friendly conversation.

Since I thought the letter and accompanying Intertel documents interesting, I am submitting them for the Director's information.

J. P. MOHR

Enclosure

62-113468-12

FEB 4 1972

61 FEB 14 1972

INTERNATIONAL INTELLIGENCE, INC.

INTERTEL

839 SEVENTEENTH ST., N. W.
WASHINGTON, D. C. 20006
(202) 638-2179

375 PARK AVENUE
NEW YORK, N. Y. 10022
(212) 826-1081

FRED G. ROBINETTE

January 26, 1972

Mr. John P. Mohr
Assistant to the Director
Federal Bureau of Investigation
Ninth Street and Pennsylvania Avenue, N. W.
Washington, D. C.

#279938

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/88 BY [redacted]

Dear John:

I enjoyed visiting with you on the phone the other day and appreciate very much your efforts to be cooperative to the extent you could. This matter in which we are so deeply involved can only be described as fantastic; however, the pieces are beginning to fall into place. b6 b7C

I can't resist this opportunity to also send you one of our brochures (now in the process of revision) and hope it will further dispell any image we may have as a "National Private Detective Agency." Unfortunately, this does happen from time to time and I would like you, particularly, to know exactly what our corporation does. Incidentally, it might be of interest to you to know that Ralph Winte, a former FBI Agent, just recently accepted a position with Bill Gay, one of Mr. Hughes' top executives.

REC-2 62-113VC.S-13

With warmest wishes and best personal regards,

Sincerely,

FEB 4 1972

Fred G. Robinette

"ENCLOSURE ATTACHED"

2 ENCLOSURE

FGR:jmb

Enclosure

THIRD

61 FEB 14 1972

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DATE 3/11/88 BY [redacted]

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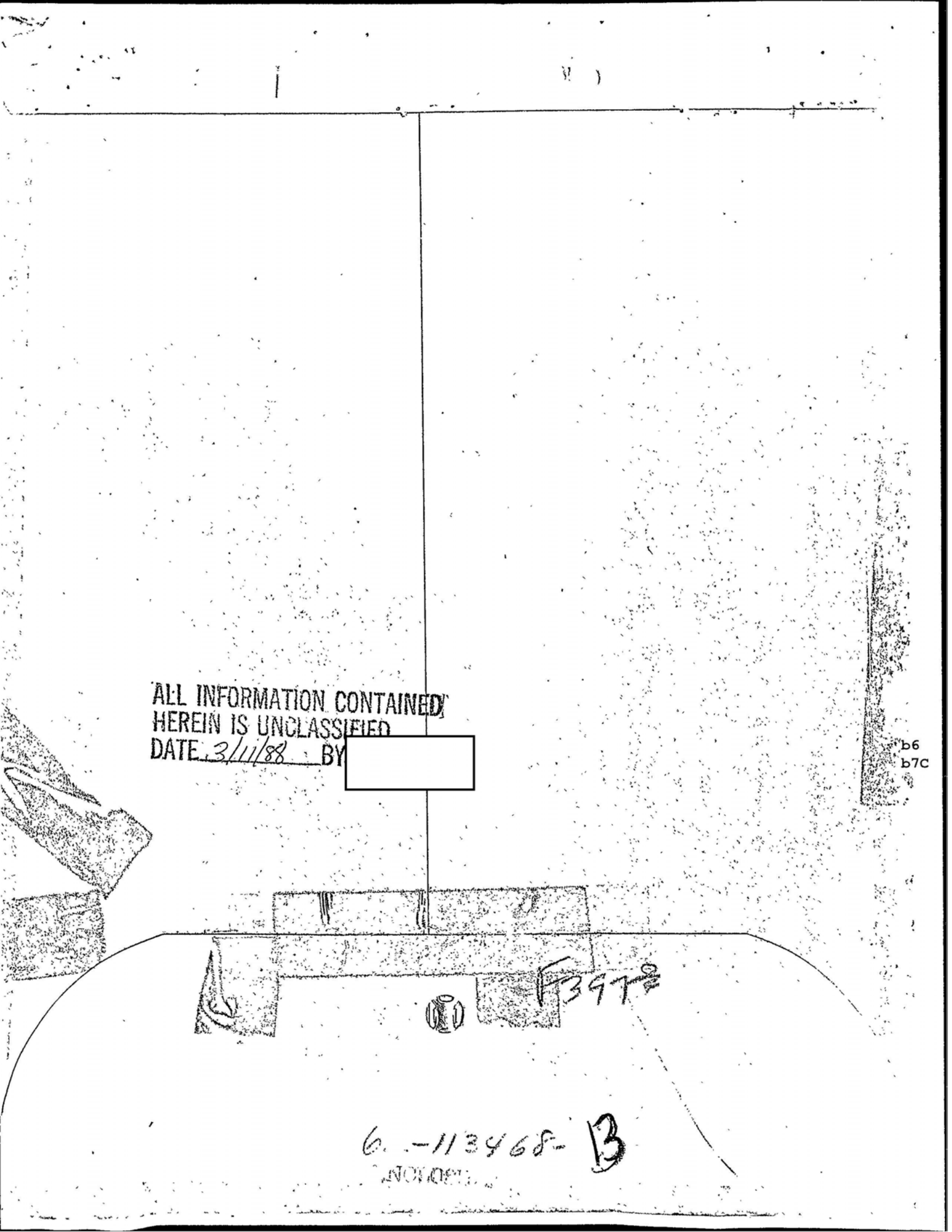


6.-113468-13

OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27

5010-106

UNITED STATES GOVERNMENT

Memorandum

Tele. Room
Mohr
Rosen
Bates
Bishop
Callahan
Campbell
Casper
Cleveland
Conrad
Dalbey
Mintz
Ponder
Soyars
Waikart
Walters
Tele. Room
Mr. Kinley
Mr. Armstrong
Ms. Herwig
Mrs. Neenan

b6
b7C

TO : Mr. Bishop

DATE: June 8, 1972

FROM : G. E. Malmfeldt

SUBJECT:

This is to recommend that the attached communication and enclosures received from captioned individual not be acknowledged in an effort to preclude further correspondence from him, but that it be forwarded to the Domestic Intelligence Division for any action deemed necessary.

has enclosed records on individuals he indicates received medical examinations at Dumbarton Methodist Church during a recent peace demonstration. He indicates this material may be of some security-type value to the Bureau. Bufiles contain two prior letters from requesting information on methods of subversion, cases involving communist activities, and in his latest letter dated 5-14-72, he also requested an interview with a Special Agent conversant in security matters. He was advised on both occasions that material in our files is confidential. His request for an interview was also declined. In addition,

It is noted his communication bears the return address of the International Intelligence, Inc. (INTERTEL). This organization has employed several former Federal Government investigators, including FBI Agents, and our relations with it are circumspect.

b6
b7C

RECOMMENDATION:

That be afforded no acknowledgment and that the attached communication be forwarded to the Domestic Intelligence Division.

b6
b7C

1 - Mr. Malmfeldt

mhb:cj (2)

ENCLOSURE

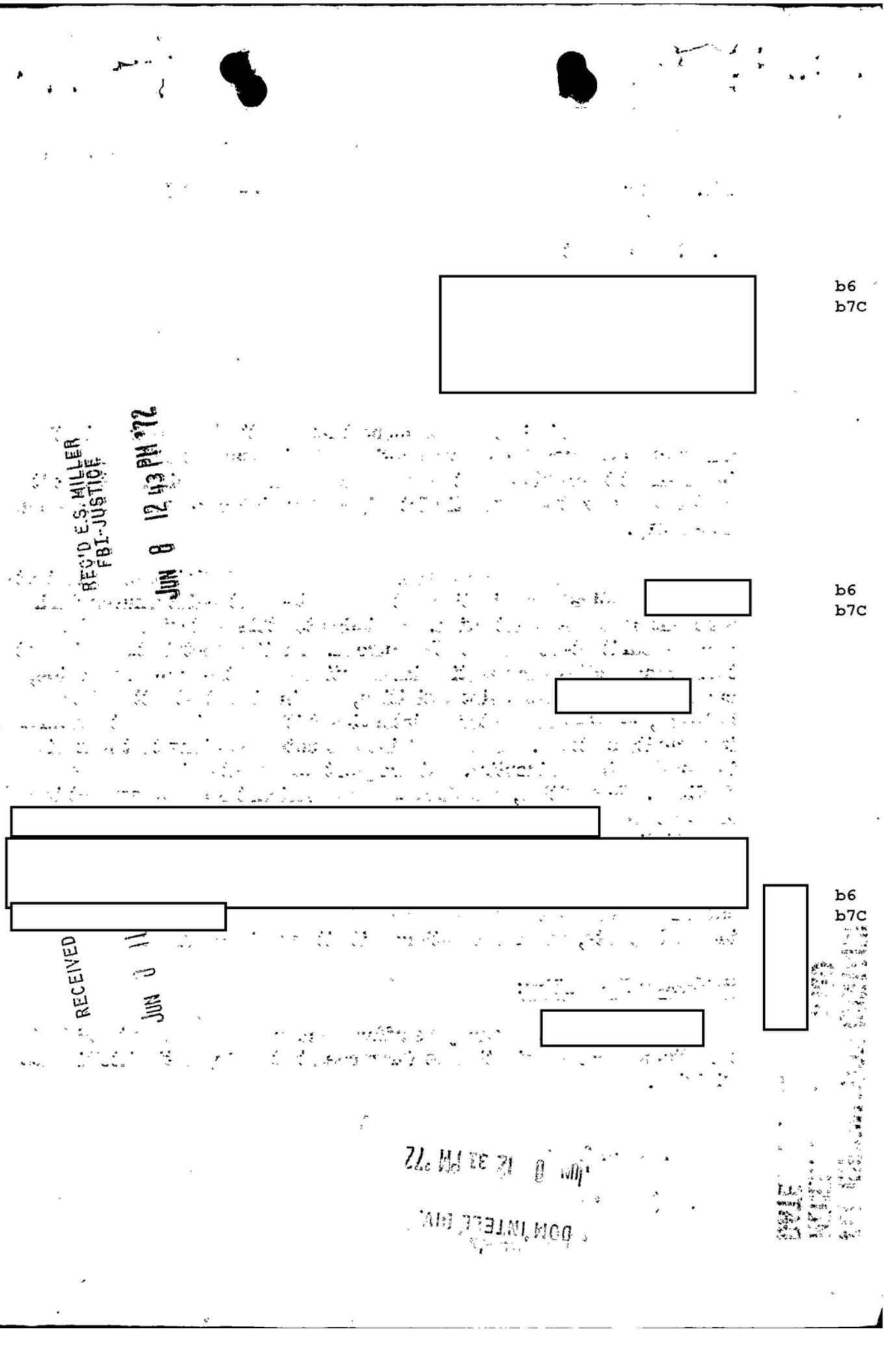
"ENCLOSURE ATTACHED"

REC 18 62-113468-14

JUN 20 1972

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/11/88 BY #79938

54 JUL 3 1972


b6
b7C
b6
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RECD E.S. MILLER
FBI-JUSTICE
JUN 8 12 43 PM '72
RECEIVED
JUN 0

These people recieved a medical examination in Dumbarton Methodist Church during the 21 May Peace Demonstrations. Church opened for food & shelter.

They may be useful knowledge in interstate conspiracy.

You send copy to D.C. Police Intellegence as this is the only copy I have.

Preacher Pro-Left but not communist. Guilt complex for being white middle class. Social activist. Rev. Harry Keiley in Georgetown.

[redacted] ST. 101

FBI
Pa. Ave. & 19th Str.
Washington, D.C.
20535

[redacted]
INTERTEL Box 39020
Washington, D.C. 20016

b6
b7C

ENCLOSURE

6-113468-14

Interfered to Bishop Memo 6-8-72 Mitchell

REC 16 5 JUN 20 1972

B

2 ENCLOSURE

#279938

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HEREIN IS UNCLASSIFIED
DATE 3/11/88 BY [redacted]

JUN 8 [illegible] '72
REC'D - CORR & TOURS
F L I
REC-D BISHOP
JUN 5 1 52 PM 1972

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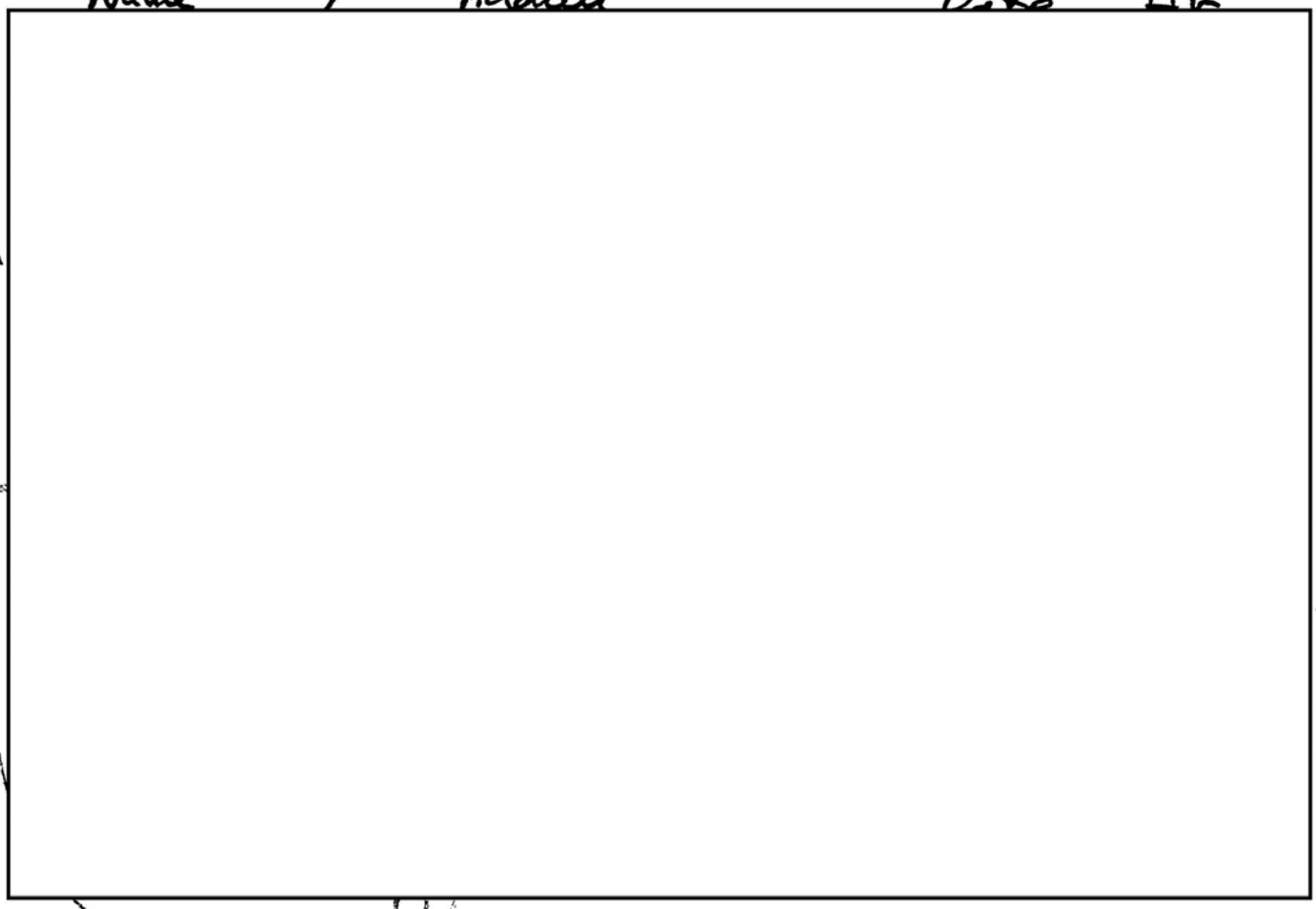
HEREIN IS UNCLASSIFIED
DATE 3/11/88 BY [redacted]

b6
b7C

Name , Address Date Hr

b6
b7C



D.C.

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Name Addres Date Hr

Name Addison Date Hr

Name Address Date Hr.

62-113468-14

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62-113468-9

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DATE 3/11/88 BY

b6
b7C

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

IN THE LAS VEGAS SUN

MARCH 21, 1971 TO APRIL 2, 1971

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
1.	The Las Vegas SUN has published some important exposes in the past. Their purpose was to rid and keep our principal industry free of elements which are destructive to the orderly processes of government.	This self-serving statement requires no comment.
2.	We have been largely successful. However, recent indictments by a Federal Grand Jury of alleged hidden interests in the Frontier Hotel prove the insidiousness of the problem and the elusiveness of the quarry.	This self-serving statement requires no comment.
3.	The war against the organized crime syndicate and its infiltration of legitimate industry and legal gambling has no final victories. The enemy is resourceful, cunning and powerful.	INTERTEL personnel agree with the comments in this paragraph.
4.	Meyer Lansky, the undisputed head of gambling for the entire crime syndicate, has stated:	INTERTEL personnel believe that the statement was made as attributed.
5.	"We are bigger than United States Steel."	
6.	While the mob is thrown out of one area, it is frequently fortified in another. It moved from Nevada to Cuba and then into the Bahamas. It never gives up. There are always new phases. One such cycle is beginning now.	In light of the avowed targets of this "expose," it is clear this paragraph is intended to imply and to lead the reader to infer that INTERTEL and its principals and employees are participating in the "cycle (toward racketeer influence)... beginning now." That charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
7. Nevada is involved, and my first interest is this state, its economy and the welfare of its people.	This self-serving statement requires no comment.
8. New Jersey is the latest of a growing number of states to cast covetous eyes on the profits to be obtained from legal gambling. The advocates are getting help from strange quarters.	When read with the remainder of this article and the series it introduces, this paragraph is intended to imply and to lead the reader to infer that officers of INTERTEL and Resorts International advocated legalized gambling in New Jersey in league with organized crime. The charge is denied in every respect.
9. An official of Resorts International, which operates a casino on Paradise Island in the Bahamas, appeared last month before the Judiciary Committee of the New Jersey Senate and testified in favor of legalizing gambling.	This statement is basically correct. However, the testimony given at the request of the Judiciary Committee, was on December 8, 1970 rather than "last month."
10. The committee is holding hearings on the proposal that the state's constitution be amended to permit establishing casinos. If the Legislature takes preliminary action, the people of New Jersey will vote on the question this year.	The statements in this paragraph require no comment.
11. I. G. (Jack) Davis, president of Resorts International, told the lawmakers casinos can be operated honestly and become a business "contributing to the economic well-being of the community in which it is located."	This statement is factual.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
12. His testimony was echoed by William Kolar, a vice-president of Intertel.	Mr. Kolar testified in conjunction with Mr. Davis. However, the focus of Mr. Kolar's testimony did not pertain to the "economic well-being of the community in which (gambling) is located." Mr. Kolar's testimony pertained to security measures taken to protect the Paradise Island Casino, to his views about the feasibility of operating an honest casino, and his views concerning the effective non-collectability of taxes on illegal gambling enterprises. He expressed the opinion that the experience at Paradise Island demonstrates that a casino can be run honestly and can be a business contributing to the economic well-being of the community in which it is located.
13. Intertel is by now familiar to Las Vegans. It is the firm brought into Nevada by Chester C. Davis, a director of the Hughes Tool Company and an applicant for a Nevada gaming license. Intertel has taken over the security chores in the Hughes Nevada empire.	INTERTEL was retained by the Board of Directors of the Hughes Tool Company, not by Chester C. Davis or any other director acting by himself. It is noted that throughout this series, Messrs. Greenspun and Witwer, for reasons known to themselves, seek to create confusion over the relationship between Chester C. Davis and I. G. "Jack" Davis, who are not related.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
14.	As more and more states seek new sources of revenue, legalized gambling gains in attraction and as New Jersey goes, so might the nation. New York state is standing by watching results of the campaign to "get it on" in New Jersey.	The statements in this paragraph require no comment.
15.	If Intertel is to protect the interests of Hughes Tool Company, which has heavy investments in the Nevada resort industry, why should it be encouraging a movement which could have profound repercussions on Nevada's economy as well as the nation?	INTERTEL and Resorts International were requested to testify by a member of the New Jersey Senate Committee which later conducted the hearings. The request was made and accepted prior to the time INTERTEL was associated with Hughes Tool Company. The request was made on the basis of the inviting Senator's awareness of the honesty and profitability of the casino at Paradise Island. The request was for testimony as to the feasibility of running a casino honestly, without racketeer influence, and profitably. Acceptance was made and honored on the basis of the profound conviction of the officers of INTERTEL and Resorts International that casinos can be so run, and the admitted interest in dissociating themselves from any contrary taint. Officers of the two companies appeared and testified as experts from a spirit of civic responsibility, and do not now make any apologies for it.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
16. Kolar of Intertel confirmed to a reporter of the New Brunswick Home News, that Resorts International is the largest single stockholder (91 per cent) in Intertel.	The statement in this paragraph is correct. The fact is also stated in the INTERTEL brochure and various publications of Resorts International.
17. New Jersey lawmakers later were surprised to learn that Resorts International had taken options on three hotels in the Spring Lake area, a well known spa complex with a long established clientele.	INTERTEL personnel have no way of knowing whether some New Jersey lawmakers were "later" surprised to learn of options held by Resorts International on hotels in New Jersey. However, Mr. Davis of Resorts International clearly testified, as shown in the transcript of his testimony, easily accessible to Mr. Witwer, to the fact that the company did hold a lease interest in two hotels in Spring Lake, New Jersey. It did not then, does not now, and has not at any other time had any interest in any other hotel in that state. The lease and option on the two hotels were permitted to expire in December 1970 without renewal, for economic reasons.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
18. The Intertel spokesman even furnished New Jersey lawmakers with rundowns on the gross income and the net profits of several major Las Vegas casinos, obtained ostensibly by Intertel as part of its job of supplying security for Hughes hotels here.	The allegations of this paragraph are denied in every respect. Mr. Kolar was the only "spokesman" for INTERTEL at the hearings. His testimony did not allude in any way to any statistics of any sort relative to any Las Vegas casinos. The only casino to which he alluded was the casino at Paradise Island, owned and operated by Resorts International. His testimony was totally unrelated to any discussion of profits or income of any casino. Mr. Davis, of Resorts International, alluded to various figures relative to gross income and net profits of the gaming industry in Nevada. However, they were in no sense obtained "ostensibly by INTERTEL as part of its job of supplying security for Hughes hotels." Indeed, they were obtained exclusively from public records, as indicated in his testimony and the transcript of his testimony. Mr. Davis made no reference to any specific hotels. At no time has any representative of either company divulged information in breach of INTERTEL's duty to the Hughes Tool Company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
19.	I. G. (Jack) Davis, president of Resorts International, along with James Crosby, chairman of the board, accompanied Chester C. Davis to Las Vegas last December when the Hughes Tool Co. took over management of Hughes Nevada interests.	Messrs. Davis and Crosby were present in Las Vegas on the date of the allegation in this paragraph. Their sole purpose in being there was to aid Robert D. Peloquin, President of INTERTEL, in his consulting with the Board of Directors of the Hughes Tool Company.
20.	An attorney for Hughes, who was called to the 18th floor of the Sands Hotel that night, was told that Jack Davis and Crosby were brought to Las Vegas as consultants.	The statement in this paragraph requires no comment.
21.	Intertel is an abbreviation of International Intelligence, Inc., and is headed by Robert Peloquin as president. Peloquin is the former head of the "strike" force of the U.S. Justice Department's Organized Crime and Rackets Division.	The statements in this paragraph are factual.
22.	Kolar and Davis told New Jersey legislators that the mob can be kept out of casino operations. Kolar cited the history of the Paradise Island casino, guarded by Intertel.	The statements in this paragraph are factual.
23.	This testimony would be a valuable guide for New Jersey if it were not self-serving.	This rhetorical statement requires no comment.
24.	The legislative hearings reconvene this week when a decision will be made whether the gaming proposal goes before the people. If it hits the ballot, it will probably pass according to informed New Jersey newspaper sources.	The statements in this paragraph require no comment.

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25. The value of the Kolar-Davis testimony is directly related to Intertel's supposed success in preventing mobster infiltration into the Paradise Island operation. New Jersey lawmakers should therefore look closely at the history of both Intertel and Resorts International.	INTERTEL personnel agree with the stated basis for evaluating the testimony of Messrs. Kolar and Davis. INTERTEL and its predecessor-principals (Hundley & Peloquin) have succeeded in "preventing mobster infiltration into the Paradise Island operation." New Jersey lawmakers interested in looking into the history of the two companies can be assured of complete cooperation.
26. The lawmakers will have to determine who these people are who now bring a super-sophisticated public relations approach to an old racket run by the worst criminal elements.	This paragraph is intended to imply and to lead the reader to infer that the principal industry in the State of Nevada and the City of Las Vegas is "an old racket run by the worst criminal elements." That assessment is inaccurate, as proven by INTERTEL and Resorts International at Paradise Island. Gaming, properly controlled and regulated by the state and managed by private ownership, can be honestly as well as profitably operated. INTERTEL has instituted no "super-sophisticated public relations approach" to legalized gaming, and the implication that it is associated with any "old racket run by the worst criminal elements," is denied.

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27.	Is it really a new look with private police forces and a super-respectable front—the Mr. Cleans—or is it merely a facade behind which the same old forces operate, with the same old motives—greed and power?	This rhetorical question is intended to imply and to lead the reader to infer that INTERTEL is a "facade behind which the same old (racketeer) forces operate, with the same old motives -- greed and power." The charge is denied in every respect.
28.	The weapon is still temptation. The taint of corruption still exists, but now it goes to the highest places in the land.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL is tainted by corruption and temptation. The charge is denied in every respect.
29.	Corruption by the crime syndicate is seldom shouted on the street corners for the world to hear and see. It is subtle, and sometimes those who are being had, who are lending themselves and their reputations to the purposes of the syndicate, are hardly aware of it.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL personnel knowingly or unknowingly are lending themselves and their reputations to the "purposes of the syndicate." The charge is denied in every respect. INTERTEL is fully aware of the backgrounds of its personnel, its incorporators, its financial backers, and its clients. No apologies are made for any of them.
30.	What is the new look?	This rhetorical question requires no comment.

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31.	It is the mantle of respectability; the cloak of former federal lawmen who come to the public glowing with such image-building phrases as "war on the Mafia," "crime strike force," intelligence experts on organized crime.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL is racketeer-dominated and hiding behind a "mantle of respectability." The personnel of INTERTEL are proud of their backgrounds and the contributions they have made and are continuing to make to the welfare of the nation, particularly in the combating of organized crime, both within and outside the United States. While Mr. Greenspun and Mr. Witwer both have acknowledged business association with individuals identified as members of organized crime, INTERTEL has no such associations. The charges in the paragraph are denied in every respect.
32.	As this series progresses, we shall see there has been little change.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL acts in league with organized crime. The charge is denied in every respect.
33.	Behind the new look still stand the "silent ones." The same names that have been around since the early days in Nevada, which has more experience in keeping the grasping hand of the syndicate out of legalized gambling than any other state in the union.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL acts in league with organized crime. The charge is denied in every respect.

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34.	The same forces which propagandized, bribed and corrupted in order to institute legalized gambling in the Bahamas later attempted "to get it on" in Miami, Florida. New Jersey is now the target and the big push is on the New Jersey Legislature.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL acts in league with organized crime. Legalized gambling was "instituted" in the Bahamas long before Resorts International or its predecessor company had any interest there. This paragraph is intended to create the contrary impression. The charges are denied in every respect.
35.	By whatever name the proponents and however cloaked, the moving finger still points to Meyer Lansky.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International act in league with Meyer Lansky. The charge is denied in every respect.
36.	Nevada has been under scrutiny for years and still new evidence of mob infiltration continues to surface.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL is contributing to "mob infiltration" into Nevada. The charge is denied in every respect.

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37.	This newspaper has done its share in exposing these elements. We have been boycotted, sued, harassed, threatened and many unhappy events have occurred to which we could attach no faces or purposes.	This self-serving paragraph requires no comment, except that if it is intended to imply and to lead the reader to infer that INTERTEL was associated in any way with the hardships it alleges to have suffered, the charge is denied in every respect.
38.	We have been watching the back door presumably keeping the mobsters out by exposing them to the full glare of newspaper vigilance.	This self-serving paragraph requires no comment, except that it does not pertain to INTERTEL.
39.	But, what about the front door? Are the mobs, shrouded by the mantle of respectability, walking right in?	The rhetorical questions in this paragraph are intended to imply and to lead the reader to infer that INTERTEL is in league with "the mobs," is a front for the mobs, and is shrouding them with "the mantle of respectability." The charges are denied in every respect.
40.	This is what we are going to examine in the most important expose ever published by the Las Vegas SUN. It is explosive, documented, and a revelation of matters which have to be aired if the crime syndicate is to be stopped before it does become bigger than the nation's mightiest corporations.	The avowed subjects of this "expose" are INTERTEL and Resorts International. Consequently, this paragraph is intended to imply and to lead the reader to infer that dark truths about INTERTEL and Resorts International must be exposed "if the crime syndicate is to be stopped." The charge is denied in every respect. Furthermore, it is noted the series is totally undocumented.

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41.	The reporter for the series Allan Witwer, has based his story on personal experience. He is a courageous investigator. He has been harassed and threatened, but he has the courage to speak out.	INTERTEL personnel have no knowledge of what harassment or threats Mr. Witwer may have suffered in the past. However, no one in any way connected with INTERTEL has been involved in any way with any threats to or harassment of Mr. Witwer. Mr. Peloquin, while associated with the Government and before he had any connection whatsoever with Resorts International or INTERTEL, was associated with Mr. Morgenthau's investigation of allegations about Mr. Witwer. It is acknowledged Mr. Witwer was associated with Meyer Lansky, as he claims.
42.	The Las Vegas SUN feels his story has to be told in the interest of our nation.	INTERTEL feels Mr. Greenspun's record generally and this article specifically speak eloquently about his interest in the welfare of the nation.
43.	Witwer tried before with a manuscript entitled, "The Ugly Bahamians." His experiences demonstrated how his story scarred nerves across the country.	This paragraph does not pertain to INTERTEL in any way.
44.	His manuscript was suppressed at a cost of $53,000.	This paragraph does not pertain to INTERTEL in any way.

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45.	The story, the documents which supported it, and the reasons for its suppression, brought then United States attorney for the Southern District of New York, Robert M. Morgenthau, into action.	This paragraph requires no comment.
46.	The suppressed manuscript and documents were placed before a Federal Grand Jury under U.S. Code 371, Title 18: "A Conspiracy Against the United States."	[redacted] b3
47.	Mr. Morgenthau was a hard hitting prosecutor, his reputation for integrity unequalled. What happened to him? He was removed from office before his work was done. His replacement was Whitney North Seymour, a senior partner in the law firm of Simpson, Thatcher & Bartlett. By an extraordinary coincidence, it was a member of this same firm who handed Allan Witwer a check for $53,600 to suppress his manuscript, "The Ugly Bahamians."	INTERTEL personnel fully agree with the evaluation of Mr. Morgenthau's reputation and ability. The following is noted, which escaped [redacted] attention, however. The series of events about which [redacted] occurred in 1966. [redacted] Mr. Morgenthau, one of the last United States Attorneys to leave office after the change in administration, left office on January 15, 1970, long after the Grand Jury before which [redacted] appeared had terminated. The remainder of the paragraph, which in no way relates to INTERTEL, requires no comment.

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48.	That was not the end of it.	This statement requires no comment.
49.	"The Ugly Bahamians" was a key point in the Royal Commission of Inquiry into the operations of casinos in Freeport and Nassau in March 1967. In the report of that commission, it was stated "At one stage we began to wonder whether the name of Meyer Lansky was not some vast journalistic piece of fiction, so ghostly and mythical a figure did he appear."	There is no reference in the report of the Commission of Inquiry to Mr. Witwer or his "manuscript." The official Report of the Royal Commission includes long lists of witnesses and exhibits, but no mention of Mr. Witwer or "The Ugly Bahamians." His claim of its being "a key point" appears exaggerated.
50.	Meyer Lansky and the men around him are not fictional, as we in Nevada well know. It was our expose two decades ago which forced revocation of a Strip hotel's license because of Lansky involvement.	It is correct that Meyer Lansky is real. Mr. Witwer worked for him. Throughout the series, Meyer Lansky is described as a very powerful organized crime figure. That assessment is correct. The entire series, however, also is intended to imply and to lead the reader to infer that INTERTEL, in some nefarious way, is associated with and linked to Meyer Lansky. There is no truth to that charge and Mr. Witwer and Mr. Greenspun are fully aware there is no truth to the charge. The remainder of the paragraph requires no comment.

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51. In this series we are going to bring out facts not fiction though fact is, as the old saying has it, even stranger.	The Las Vegas SUN's series speaks for itself with respect to the question whether this self-serving boast was satisfied. It ignores truth and dwells on fantasy. It libels by innuendo, implication and rhetorical question. It wantonly disregards truth in the interest of sensation. It deliberately joins unrelated facts, and jumbles chronology to confuse the reader. It is, in fact, very strange fiction indeed.
52. History is important and background essential. But we are writing about what's happening now. This is what the SUN will concentrate on.	The SUN claims this story is about what is happening how. Precious few "facts" related in the series pertain to anything which has happened since the summer of 1967. The only common denominator between the present and the series is INTERTEL's present involvement in providing consulting services to the Hughes Tool Co. in Nevada. The series urges the point of view that there is presently an attempt to destroy the gaming industry in Nevada, an attempt to monopolize the gaming industry throughout the world for the benefit of organized crime, and to cloak it with a "mantle of respectability." The series by innuendo, rhetorical questions, and misstatements of fact, is intended to imply and to lead the reader to infer that INTERTEL is a participant in that scheme. The charge is denied in every respect.

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53.	The mob now comes to us with a new image, created by the new public relations cartel who have toppled governments for their own sinister advantages.	This statement is intended to imply and to lead the reader to infer that INTERTEL represents the mob, and that INTERTEL has created a new image for the mob by public relations techniques, and that INTERTEL has toppled governments. The charges are denied in every respect, and it is pointed out that they are so absurd on their face, they demonstrate the malice which caused them to be made.
54.	It happened in the Bahamas and is about to happen again as the new super-sophisticated intelligence group is moving to establish a simple international gambling monopoly.	This statement is intended to imply and to lead the reader to infer that INTERTEL is the "super-sophisticated intelligence group" involved in a movement "to establish a simple international gambling monopoly." The charge is denied in every respect.
55.	The pages of the nation's press have been occupied with such names as Resorts International and Intertel.	INTERTEL personnel are proud of the record of press coverage they as a company and as individuals, have received without any solicitation.

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56.	Pete Rozelle, commissioner of professional football, has hired Intertel to be guardian against organized crime infiltrating the game.	INTERTEL has never been retained by the National Football League or Mr. Rozelle. The law firm of Hundley & Peloquin has been retained for the past two and one-half years by Mr. Rozelle's office as security consultants.
57.	Latest reports have it that Mr. Rozelle is most anxious to sever any relationship with this intelligence agency for fear of involving football with some of the most sinister elements of the nation.	INTERTEL personnel are not privy to the "latest reports" to which Mr. Witwer refers, which in light of the lack of association between INTERTEL and Mr. Rozelle are obviously erroneous. Neither Mr. Peloquin nor Mr. Hundley has been advised of any intention of Mr. Rozelle to sever his relationship with them. The equation of INTERTEL with "some of the most sinister elements of the nation" is without any basis, and stems from the malice of the author.
58.	Henry Ford II has engaged Intertel to police the casino at St. Maarten in the Netherlands West Indies.	Henry Ford, II has not engaged INTERTEL in St. Maarten. Island Gem Enterprises, in which he is an investor, has engaged Resorts International to operate the casino there with the agreement that INTERTEL will provide security.

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59.	Intertel has been appointed by Chester C. Davis to oversee security and intelligence in the casinos of the Hughes properties in Nevada.	INTERTEL was retained by the Board of Directors of Hughes Tool Company as consultants on security for its Nevada properties, not by Chester C. Davis, nor anyone acting alone.
60.	Intertel provides the same service for Resorts International in the Bahamas.	The statement in this paragraph is correct.
61.	If Intertel and Resorts International testimony before a New Jersey legislative committee is not objective, sincere, valid and forthright, the people of New Jersey should know before a decision is made whether the state should have legalized gambling.	INTERTEL personnel endorse the criteria for evaluating the testimony of the officers of INTERTEL and Resorts International before the legislative committee and would apply the same criteria to evaluating this series. The implication the testimony was anything but "objective, sincere, valid and forthright," is denied in every respect.
62.	If the high government official who has stated "Organized crime now has its own intelligence agency," was referring to Intertel, New Jersey better watch out.	Mr. Greenspun has not identified the source of the quotation. He has demonstrated no reason to believe the supposed quotation refers to INTERTEL; obviously he has no reason to believe it did or he would have said so directly. Rather, he disregards the lack of facts and charges by implication. The charge is denied in every respect.

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63.	What is Intertel? Who are the people and where do they come from? What is Resorts International and what is its pedigree?	INTERTEL's invitation to Mr. Greenspun to learn the answers to these questions was not meaningfully accepted.
64.	NOW IT CAN BE TOLD will delve into these questions and others. We know what their public relations say. We know what the image builders say.	INTERTEL has not engaged in "image building." The Las Vegas SUN made no effort to answer the questions honestly.
65.	The SUN series will examine the facts . . . in the Bahamas . . . in New Jersey . . . and here in Nevada.	The series speaks for itself with respect to the question whether this self-serving boast was satisfied.
66.	The public has a right to know.	INTERTEL personnel agree with this statement.
67.	Who are these self-appointed guardians entering the front door in their shining halos?	Mr. Greenspun asked earlier whether "the mobs" are "walking right in" the "front door," cloaked by "a mantle of respectability." The instant paragraph charges INTERTEL is doing that for organized crime. The charge is denied in every respect.

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68.	The Roman poet Juvenal asked "Who will guard the Guardians?" Who indeed.	This paragraph requires no comment.
69.	Allan Witwer's documentary will remove the halo from some of the new guardians who are clamoring at the front door.	This paragraph repeats the charge of the paragraph preceding the last. The charge again is denied in every respect.
70.	The story begins tomorrow in the Las Vegas SUN.	(Disregard).

HEADLINES & CAPTIONS

March 21, 1971

A. "INTERNATIONAL GAMBLING MOB ZEROES IN ON JERSEY"

B. "GAMBLING MOB ZEROES IN ON NEW JERSEY"

These headlines are intended to imply and to lead the reader to infer that the officers of INTERTEL and Resorts International who testified before the legislative committee did so at the behest and for the benefit of organized crime, and that they represented organized crime. That charge is denied in every respect.

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71. Gambling, like politics, makes strange bed fellows.	This statement requires no comment.
72. There's no stranger crew of sleeping mates on record than the one which assembled recently in New Jersey before a State Senate Judiciary Committee to sell legalized gambling as the cure for the economic woes of the state and a powerful tool against organized crime.	This statement is meant to imply and to lead the reader to infer that INTERTEL and Resorts International representatives attempted to "sell" legalized gambling to the State of New Jersey. The charge is denied in every respect. Messrs. Kolar and Davis were invited and testified as disinterested experts on clean casino management and security. Mr. Kolar had recently retired as the Director of the Intelligence Division of the United States Internal Revenue Service. Based upon his experience with that branch of Government, he urged New Jersey to find a way to collect the billions of dollars of taxes evaded by illegal gambling operators.
73. Legalize gambling, the lawmakers were told, and the taxes on casinos will build your roads, your schools and your hospitals.	Neither Mr. Kolar nor Mr. Davis made any such representation in their testimony or at any other time to the New Jersey legislative committee. If Mr. Witwer read the transcript of the testimony, which is available to the public, he knows that.

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74. Put the state in the gaming business, the siren song went, and you will deprive organized crime of its major source of income.	No allegation was made to the New Jersey legislative committee by either Mr. Kolar, Mr. Davis, or any other representative of either company that legalized gambling would rid organized crime of its major source of income. All authorities on organized crime, including INTERTEL personnel, believe illegal gambling is the major source of income of organized crime, however. It is legitimate to hope non-corrupted legalized gambling would, in fact, constitute harmful competition to mobsters. Unlike Mr. Witwer, INTERTEL personnel feel that has been proven by honest casinos in Nevada, as well as Paradise Island.
75. It is a sure fire pitch which usually works because everyone wants to hear how nice it is going to be tomorrow, not how God awful.	This statement requires no comment.
76. The strangeness comes because part of the pitch was made by the president of Resorts International, which is in the gaming business in the Bahamas, and officials of Intertel, a security firm owned by Resorts International.	No representative of either INTERTEL or Resorts International made any "pitch" to the New Jersey legislative committee. The nature, purpose, and all pertinent circumstances of the testimony given December 8, 1970 by Mr. Kolar of INTERTEL and Mr. Davis of Resorts International have been explained above. Basic to the thesis throughout this series that the testimony was improper and devious is the statement of fact that Resorts International's interest in New Jersey hotels was

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	hidden. That is one of the innumerable misstatements of fact in this series which could easily have been avoided by the simplest investigative technique -- reading the record of the testimony to which reference was made.
77. Intertel holds contracts with its parent company to provide security—which means keep the hoodlums out—of its casino complex on Paradise Island, Nassau, the Bahamas, and it is employed in the same capacity by the Hughes hotels in Las Vegas.	One of INTERTEL's functions respecting Paradise Island has been to keep hoodlums out. It has been successful in that purpose. As stated heretofore, INTERTEL was retained by the Hughes Tool Company in a consulting capacity.
78. Intertel spokesmen even told the New Jersey lawmakers "inside" information about the operations of several major Las Vegas casinos, obtained ostensibly to help it provide security for the Hughes properties.	As clearly shown in the transcript of the testimony wantonly disregarded by Mr. Witwer, neither Mr. Kolar nor Mr. Davis nor any other representative of either INTERTEL or Resorts International gave any "inside information" to New Jersey lawmakers or anyone else. While that type of conduct is close to Mr. Witwer's heart, as indicated by this series, INTERTEL's high standards of conduct do not permit it. No one could have read the transcript of the testimony of the two men, or have heard it, and concluded there was any inside information divulged. All statistics were from public records, as clearly indicated at the time they

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		were given. No Hughes Tool Company property was cited in the testimony of either. Mr. Kolar gave no statistics of any kind about Las Vegas.
79.	I became interested in this situation because of my long-standing knowledge of how gambling and its camp-followers were introduced to the Bahamas and the apparent anomaly of officers of firms with vital interests in other locales encouraging competition to those important sources of income.	INTERTEL personnel profess no knowledge of Mr. Witwer's thought processes. As indicated above, there was no anomaly attached to the testimony before the legislative committee. Messrs. Kolar and Davis testified as experts, invited by the committee before which they testified, having agreed to do so prior to any association with Hughes Tool Company or any other company in Nevada. Furthermore, Mr. Witwer implies throughout the series that Resorts International and INTERTEL, as well as various organized crime figures, "introduced" legalized gambling in the Bahamas. The introduction of legalized gambling in the Bahamas was long before Resorts International or any affiliated company had any interest there. The charge is denied in every respect.
80.	It was a case of Macy's telling Gimbel's with a vengeance.	This non sequitur does not pertain to INTERTEL or Resorts International.

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81.	Contributing to my interest was the fact that I am a native of New Jersey and familiar with its long history as a mobocracy.	Mr. Witwer's low opinion of his native State requires no comment.
82.	New Jersey is known as the Garden State and it has produced a bumper crop of hoodlums.	This statement requires no comment.
83.	The shame of the state is its long and sordid history of crime and corruption.	This statement requires no comment.
84.	Monmouth County has had illegal gambling for a generation of godfathers. Prohibition in New Jersey was a slight annoyance. The rum-runners went in and out of the coastal inlets unmolested. Politics in New Jersey is a smirk. Hudson and Sussex Counties are sprinkled with the Mafia. Newark has the Big C — corruption.	This statement requires no comment.
85.	With a nasty record like that, one would naturally assume that salvation lies in cracking down and cleaning up. Less of everything; less gambling, less loan-sharking, less crooked politics, less of everything connected with organized crime.	There is substantial disagreement in the community of law enforcement officials over the effect of legalized gaming on organized crime. INTERTEL personnel are persuaded it is possible for casinos which are not connected with organized crime to be run in such a way as to contribute to the fight against organized crime. Many highly regarded law enforcement friends honestly disagree.

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86.	But what is now taking place in New Jersey defies logic. There is a proposal before the legislature, not to clean up mob alley but to four-lane it.	This statement is typical of Mr. Witwer's intemperate stroke with a broad brush, by which he condemns an entire state legislature which is honestly, appropriately, deliberately and cautiously considering a valid legislative question.
87.	A concerted and coordinated effort is being made to put the question of legal gambling before the voters next November.	This statement requires no comment.
88.	Why should Resorts International, which is dependent upon mainland customers for the play in its Paradise Island casino, take such active interest in a project that will bleed off its customers — probably in droves?	The rhetorical question is intended to imply and to lead the reader to infer that there necessarily were bad motives attached to the testimony of Messrs. Kolar and Davis. It is also intended to imply and to lead the reader to infer that Messrs. Kolar and Davis, and INTERTEL and Resorts International are participating in a concerted effort to "sell" the people of the State of New Jersey a "bill of goods." The charges are denied in every respect. The nature, purpose, and all pertinent circumstances of the testimony of the two men, including why they testified, have been explained above.

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89. Why should officers of Intertel, which holds lucrative contracts to provide security for six Hughes-owned Nevada resorts, encourage a heavily-populated and strategically located eastern state to legalize gambling when such an act very conceivably could deprive the Las Vegas casinos of thousands of players who live along the Eastern Seaboard?	This rhetorical question charges the same as the one immediately preceding it, and calls for the same response.
90. Las Vegas and the Bahamas are merely flagstops for Intertel. The firm also has contracts to provide security for Henry Ford's luxurious resort and casino in St. Maarten's in the Netherlands, West Indies.	INTERTEL's success in attracting and servicing clients evidently perturbs Mr. Witwer, leading him to draw conclusions like this. Las Vegas and the Bahamas are not "merely flagstops." INTERTEL has grown rapidly. It is proud to acknowledge the contract somewhat inaccurately cited, as indicated previously.
91. Establishment of casino gaming in New Jersey will certainly not enhance the economy of any of these three locations where Intertel already is employed.	This statement and many others like it are intended to imply and to lead the reader to infer that Mr. Kolar's purposes in testifying before the legislative committee were devious and improper. The charge is denied in every respect.
92. Why should casino operators and a security firm take a position diametrically opposed to the views expressed almost unanimously by federal and state law enforcement and intelligence agents, some of whom have spent their lives combating organized crime and the infiltration of mobsters into the entire fabric of the moral and political life of communities, states and nations?	This rhetorical question is intended to imply and to lead the reader to infer that INTERTEL personnel have foresaken the fight against organized crime, and seeks to associate INTERTEL with "the infiltration of mobsters into the entire fabric of the moral and political life of communities, states and nations."

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	The charges are denied in every respect. INTERTEL's stated and actual purpose is to assist private companies and public agencies in combating organized crime, particularly in its infiltration of legitimate business. INTERTEL has in excess of twenty full-time professional personnel who have devoted all or most of their careers to combating organized crime. They all continue to do so, and effectively. It is absurd on its face to give any consideration at all to the constitution of our personnel and conclude that all have "sold out" to racketeers. It does not make any sense, as Messrs. Witwer and Greenspun know. It is not true, as they also know. As noted previously, there is substantial disagreement, not near unanimity, among organized crime experts on the impact of legalized gambling on organized crime.
93. To understand this paradox, it is necessary to know with what we deal.	Mr. Witwer stated no paradox.

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94.	Is this a monstrous cabal which has behind it a billion dollar empire that reaches from the Netherlands West Indies to the Las Vegas Strip?	This rhetorical question is intended to imply and to lead the reader to infer that INTERTEL is part of a "monstrous cabal" with organized crime support and participation. The charge is denied in every respect.
95.	Are we witnessing again the handiwork of conspirators allied with vast forces and people who know how to get their way?	This rhetorical question is clearly intended to imply and to lead the reader to infer that INTERTEL is part of a conspiracy with members of organized crime. The charge is denied in every respect.
96.	Two men recently put forth an impressive case before the Judiciary Committee of the New Jersey Senate in favor of legalized gambling.	The testimony of Messrs. Kolar and Davis has been discussed fully above. The testimony speaks for itself. For that reason, the SUN was asked to print it in full. For the same reason, the request was not granted.
97.	They were I. G. (Jack) Davis, president of Resorts International, and William A. Kolar, vice president of International Intelligence, Inc., Intertel for short.	The statement is correct.
98.	Kolar is a former director of internal security and intelligence divisions of the Internal Revenue Service.	The statement is correct.

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99.	Davis was president of Mary Carter Paint Co. when that shady lady opened the Paradise Island Casino in Nassau in December, 1967. He marketed paint and steel drums for Mary Carter, but gambling made him a Bahamas entrepeneur—show biz!	The description of Mary Carter Paint Co. as a "shady lady" is a typical example of the author's clumsy efforts to denigrate the company while attempting to avoid the penalty of libel. The statement clearly implies that Mary Carter Paint Co. was run dishonestly and was infested by unsavory associates. That is untrue. It libels not only Mr. Davis and Mary Carter Paint Co. but also Resorts International. The charge is denied in every respect.
100.	Davis told the New Jersey lawmakers it is "... possible to operate a casino honestly and make it a business contributing to the economic well-being of the community in which it is located."	The statement was made as attributed and is a correct statement, as demonstrated by honest casinos in Paradise Island, St. Maarten, and Las Vegas, Nevada.
101.	Kolar said that "casinos can be operated without infiltration by criminal elements."	The statement was made as attributed and is a correct statement, as demonstrated by honest casinos in Paradise Island, St. Maarten, and Las Vegas, Nevada.
102.	But the Paradise Island casino owned by Davis' company isn't exactly the "show case of legal gambling."	As a matter of fact and frequent press notice, the casino at Paradise Island is a "show case of legal gambling," which is why Resorts International and INTERTEL personnel were invited to testify before the legislative committee, and why INTERTEL is successful in obtaining clients who own and operate honest casinos.

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103. And the next time Kolar, whose firm supplies security for Resorts International goes to Miami, he should look around.	This statement requires no comment, except that Mr. Witwer either did not do as he would encourage Mr. Kolar to, or maliciously misstates what he has seen.
104. I suggest he visit the offices of Resorts International at 915 N.E. 125th St., North Miami. Located at this address is the Joseph Forni Associates which handles Resorts International advertising. Sharing the same address is Travel Resorts Enterprises which packages junkets to the Bahamas.	Counsel for Resorts International advises that Resorts International does occupy offices at 915 N.E. 125th Street, North Miami. Joseph Forni Associates does occupy offices in the same building. Joseph Forni Associates has been retained by Resorts International to do some promotional work, as have other firms. To Counsel's knowledge, Joseph Forni Associates is a respected company doing business in North Miami with numerous clients in addition to Resorts International. Counsel knows of no criminal conduct of anyone associated with that firm. Counsel knows of no criminal associates of anyone associated with that firm. None is alleged by Mr. Witwer. Counsel knows of no allegations of such conduct or associates. None is alleged by Mr. Witwer. The firm has nothing whatever to do with Resorts International other than just stated. Counsel has no knowledge of any firm known as Travel Resorts Enterprises, nor of any such firm's ever having been located at 915 N.E. 125th Street, North Miami. No such

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firm has any association whatever with Resorts International or INTERTEL or any personnel of either company. According to the telephone book for North Miami, to which one would assume Mr. Witwer had access if he wished, a firm known as Travel and Resorts Enterprises is located at 211 Second Avenue in Miami. Neither Resorts International nor INTERTEL nor any personnel of either company has any connection whatsoever with Travel and Resorts Enterprises. There have been no junkets run to Paradise Island by or for Resorts International since January 1970, because they are no longer economically justified.

105. Our sources, and this has been confirmed by Clark County Sheriff's intelligence officers, declare that Ernie Braca and Giofriddo Cellini—known as Eddie—spend a lot of time in what is obviously GHQ for Resorts International and that Dino Cellini is a daily visitor.

Counsel for Resorts International advises that neither Ernie Braca, Dino Cellini, nor Giofriddo Cellini has every been known to be in the offices of Resorts International in North Miami. None of those three has ever had anything whatever to do with Resorts International or INTERTEL. Eddie Cellini, whose name is not Giofriddo, has not been employed by Resorts International since December 1969. He has since that time been in the offices of Resorts International only a very few times, and in no way can be said to "spend a lot of time there." The general headquarters of Resorts International is not located anywhere in Florida. They

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	are located in the General Motors Building in New York City.
106. The presence of this trio lends far more weight to the testimony of Col. David B. Kelly, superintendent of the New Jersey State Police, than it does to the assertions of Davis and Kolar.	The allegations of the previous paragraph add no weight to anything. They do attest to the quality and purposes of the purported investigation conducted by Mr. Witwer.
107. Col. Kelly told the lawmakers "legalized gambling would be the signal for organized crime to move in."	Col. Kelly is known to INTERTEL personnel and highly regarded. His opinion about the matter discussed differs from and is respected by them. His opinion is unrelated to INTERTEL.

HEADLINES & CAPTIONS

March 22, 1971

C. "THE NEW JERSEY SNOW JOB"

D. "WARN OF TAKEOVER BY MOB IF JERSEY LEGALIZES GAMBLING"

E. "JERSEY WARNED: FLIRTING WITH TAKEOVER BY MOB"

These headlines are intended to imply and to lead the reader to infer that the officers of INTERTEL and Resorts International who testified before the legislative committee did so at the behest and for the benefit of organized crime, and that they represented organized crime. That charge is denied in every respect.

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108.	At the end of 1966 two men were in a position to strike a crushing blow against organized crime. Both were in the Justice Department. They could strike hard and with authority.	This paragraph requires no comment.
109.	Poised to topple Meyer Lansky from his place as "chairman of the board" of organized crime was Robert Morgenthau, U.S. attorney for the Southern District of New York. The late Robert F. Kennedy called his operation "the showcase of the Justice Department."	INTERTEL personnel have no knowledge of Mr. Witwer's allegation that United States Attorney Robert Morgenthau was poised in 1966 to "topple" Meyer Lansky. They do, however, hold Mr. Morgenthau in high regard, considering him one of the outstanding prosecutors the federal government has ever had. It is appropriate to refer to Mr. Morgenthau's United States Attorney's Office as the "showcase of the Justice Department."
110.	The other federal lawman was Robert D. Peloquin, chief of the "strike force of the Justice Department's Organized Crime and Rackets Division. Probably the most sensitive intelligence post in the department. It was the strategic command against the underworld.	Robert D. Peloquin was employed during 1966 as the Chief of the initial strike force of the United States Department of Justice. Five members of the INTERTEL staff were members of the same strike force.

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111.	Morgenthau had scored heavily with vigorous investigations and equally aggressive prosecution. He had gone after the powerful in his indictment and conviction of Louis Wolfson for stock manipulation. He had obtained indictments against scores of the underworld. He managed to bring Roy Cohn, once Sen. Joe McCarthy's boy-terror, to court.	INTERTEL personnel agree fully with the plaudits for Mr. Morgenthau.
112.	Peloquin's speciality was gathering information, building formidable files on racketeers, the Syndicate, the front men, and their deep penetration into legitimate business, gambling and the many sources of the Mob's fantastic income.	The strike force led by Mr. Peloquin was assigned to gather evidence and prosecute members of an organized crime "family" identified as headed by Stefano Magaddino, which operated in western New York, the Ohio Valley, and parts of Canada. That assignment was fulfilled in what INTERTEL personnel pridefully believe to have been a successful manner. It led to the most significant organized crime prosecutions of which INTERTEL is aware in that area. The strike force received commendations from federal, state, city and Canadian law enforcement leaders. The success of the strike force was such that it was used as a model for subsequently created strike forces throughout the country, which now number eighteen.

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113.	Both men had the documentation and inforamtion to crush Lansky's control over illegal gambling in the U nited States and his domination of casinos in The Bahamas.	Neither Mr. Morgenthau nor Mr. Peloquin "had the documentation and information to crush Lansky's control over illegal gambling." The statement by Mr. Witwer is intended to imply and to lead the reader to infer that Mr. Peloquin elected, for reasons not stated but later implied, not to prosecute Meyer Lansky. Had there been competent evidence with which to prosecute, Meyer Lansky would have been prosecuted.
114.	Morgenthau was fired by the President of the United States.	This paragraph is typical of Mr. Witwer's technique of stating facts out of context to prove a point totally unrelated to the fact stated. Mr. Morgenthau was dismissed by the President of the United States after the change in administration. Nearly all, if not all, United States Attorneys serving during the Johnson Administration have been replaced by appointments of President Nixon, precisely according to precedent for many generations. Mr. Witwer implies and would have the reader infer that Mr. Morgenthau was fired in order to stop the grand jury investigation of matters [redacted] which according to him were so b3

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embarrassing to the law firm with which Mr. Morgenthau's successor was associated. [redacted] Mr. Morgenthau remained b3 in office until January 15, 1970, years after the grand jury before which [redacted] had testified had discontinued.

115. Peloquin resigned to open a private law office and later he became a vice president of Paradise Enterprises Ltd., which was formed to operate the casino on Paradise Island.

Mr. Peloquin did not resign to open a private law practice. He resigned from the Department of Justice effective August 1, 1967, and was immediately employed by the Office of the Commissioner of the National Football League. It was not until August 1, 1968 that Mr. Peloquin and Mr. Hundley established a law firm in Washington, D.C. The law firm was later retained by the then Mary Carter Paint Company to advise them as to security of their operations on Paradise Island. Both Mr. Peloquin and Mr. Hundley were appointed Vice Presidents of Paradise Enterprises, Limited in which Mary Carter Paint Company had a 100% beneficial interest, in October 1968. Paradise Enterprises, Limited operates the casino at Paradise Island.

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116.	Ninety per cent of its income was to be returned to Paradise Realty Limited, which was owned by Mary Carter Paint Co., and Mrs. Georgette Groves, wife of Wallace Groves. This company constructed a casino which was leased to the operating group, Paradise Enterprises.	Once again Mr. Witwer deliberately misleads the reader with the intention of causing the reader to infer wrongdoing on the part of the subjects of his attack. On May 8, 1967, Mary Carter Paint Company acquired total ownership of Paradise Realty, Ltd. The acquisition was approved by the Government of the Bahamas on July 21, 1967. That was substantially before the Paradise Island Casino was opened, as a reporter from the SUN representing Mr. Greenspun was advised by Mr. Peloquin on March 22, 1971. Neither Wallace Groves, nor Mrs. Groves, nor anyone associated with either had anything whatsoever to do with the casino after it began operations, or ever obtained any part of the casino's profits.
117.	In effect the arrangement meant that the casino profits went to Groves.	There was no such effect as that stated, since neither Mr. nor Mrs. Groves had any interest in the company at any time after the Paradise Island Casino was opened.

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118. This was the setup which led Peloquin in 1966 to write a Justice Department memo declaring: 119. "The atmosphere seems ripe for a Lansky skim."	During the years 1964, 1965, and 1966, one of Robert D. Peloquin's assignments at the Department of Justice was to supervise and direct an investigation into possible involvement of Meyer Lansky in the casino located on Grand Bahama Island, and possible violations of federal law stemming from it. During 1966, when it was first learned there was being contemplated the building of a casino near Nassau, Mr. Peloquin extended the investigation to include that. An intensive investigation was conducted of the Mary Carter Paint Company, its officers and principal stockholders. The investigation was not predicated on any information of a derogatory nature about any of the people or the company, but merely on the fact that the company was contemplating opening the casino and it was very much a matter of concern to determine whether Meyer Lansky was in any manner related to it or any new casino in the area. Mr. Peloquin has no present recollection of the memorandum to which Mr. Witwer refers. He knows it has been cited by authors other than Mr. Witwer. It is his opinion he may well have written the words attributed to him, perhaps in recommending the investigation be extended as just

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indicated. The results of the investigation were, however, conclusively favorable to Mary Carter Paint Company and all its principals. There was not the slightest hint of any involvement or connection of any kind with Meyer Lansky or any organized crime figure. As a matter of fact, when the Chairman of the Board of Mary Carter Paint Company learned of a possible connection between the casino on Grand Bahama Island, owned by others, and Meyer Lansky, he became most concerned and immediately turned to the United States Department of Justice for advice on how to assure himself of freedom from organized crime influence. He asked the officials of the Department of Justice, including Robert D. Peloquin, whom he could engage to run the casino and be assured of its honesty. He was advised that while there were honestly managed casinos in Nevada, the regulations of the Gaming Commission of that State probably precluded such groups from operating outside the State. He was further advised that if he went through with his projected plans to operate a casino, he would be wise to keep control with his own company. He accepted the advice, and Mary Carter Paint Company acquired the remaining interest in the casino held by the Groves interests. The conference

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		at the Department of Justice took place in April 1967. The Paradise Island Casino was not opened until December 15, 1967.
120.	Peloquin told the SUN yesterday that Resorts International purchased the Groves interest when it was publicized he had Lansky connections, before the casino opened.	This statement is correct, and Mr. Peloquin's statement was true.
121.	"No person connected with Resorts International or Intertel have ever had any association, business or social, with Meyer Lansky other than trying to prosecute him," Peloquin declared.	This statement is correct, and Mr. Peloquin's statement was true.
122.	Peloquin's assignment as vice president of Paradise Enterprises Ltd. included service on a committee supervising casino operations and among those supervised was Eddie Cellini, who had been a Lansky man at the Riviera Hotel in Havana.	Eddie Cellini was the manager of the Paradise Island Casino from the date it opened, December 15, 1967, until his services were terminated in December 1969. He had previously been employed as a dealer at the Riviera Hotel. At no time, to the knowledge of INTERTEL personnel, was he in a position of management. INTERTEL personnel know of no criminal intelligence agency which has ever identified him as "a Lansky man." It should be noted that numerous responsible

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		citizens of the State of Nevada have in their past been employed at various casinos in Cuba and elsewhere, which were operated by Meyer Lansky or other organized crime figures. To work in such a casino as a dealer, with nothing more, does not qualify one as a Lansky man.
123.	Peloquin said yesterday Eddie Cellini left the Paradise Island Casino in the late fall of 1969. He added Cellini "was let go."	This statement is correct, as was Mr. Peloquin's.
124.	"I want to make very clear that as far as Resorts International and Intertel is concerned, that while Cellini had relatives with an unsavory background, he had no criminal record and no unsavory associations," Peloquin said. "He performed his duties in an exemplary fashion. In his case it was 'guilt by relative' which is a very hard thing to go through."	This statement is correct, and no apologies are made for it.

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125.	I furnished Peloquin full details of Cellini's role in protecting the Lansky empire in Cuba and the Bahamas months before he left his Justice Department post and put on his other hat as a member of a committee supervising the casino.	The only information Mr. Peloquin ever received from Mr. Witwer was an outline of a prospective book titled "The Ugly Bahamians," which consisted of approximately eight chapter outlines. To the best of Mr. Peloquin's recollection, the information at the time he received the outline had already appeared in newspapers and magazines of general circulation, and added to Mr. Peloquin's knowledge not at all. To the best of Mr. Peloquin's recollection, there was no mention of Eddie Cellini in the outline, nor was there in any conversations with Mr. Witwer. The outline turned over to Mr. Peloquin by Mr. Witwer was a "xerox" copy, apparently retained by Mr. Witwer in violation of the agreement for which he admits receiving $53,000. Reference to Mr. Peloquin's "other hat" is intended to imply and to lead the reader to infer that Mr. Peloquin joined forces with alleged racketeers. The charge is denied in every respect.

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126.	My involvement with these two crimebusters resulted from the hazardous research for my unpublished book, "The Ugly Bahamians," which caused me to be subpoenaed before a Federal Grand Jury of the Southern District of New York.	INTERTEL personnel have no knowledge of hazard attached to Mr. Witwer's "research." His involvement with Mr. Peloquin, and to the best of INTERTEL's knowledge with Mr. Morgenthau, came about as follows. [redacted] b3
127.	I began the manuscript with the encouragement of a friend and sometimes co-worker of 30 years, Jim Bishop, author and nationally syndicated columnist.	This self-serving statement requires no comment.
128.	"The Ugly Bahamians" is the documented and explosive story of an island in the Bahamas that became a beachhead for Lansky and his comrades, part of the "Who's Who" of U.S. organized crime.	INTERTEL personnel have no knowledge of any documentation of "The Ugly Bahamians." The self-serving description of the book requires no comment, except to note it pertained in no way to Paradise Island or Eddie Cellini.

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129.	As chief of public relations for the Grand Bahama Development Co., and later in charge of the news bureau for the Bahamas Ministry of Tourism in Nassau, I was an eyewitness to the Mob's move from the cesspool of Havana to those "gin-clear" waters of The Bahamas.	INTERTEL is obliged to accept Mr. Witwer's statement that he was employed by the company he now says was dominated by organized crime generally and Meyer Lansky particularly.
130.	All of the story will be told in the Las Vegas SUN for the first time.	This self-serving statement requires no comment.
131.	The reason for this revelation is that the people of New Jersey are now being subjected to the same kind of propaganda barrage that brought gaming, and sinister elements that controlled it, to The Bahamas.	This paragraph is intended to imply and to lead the reader to infer that the testimony before the New Jersey legislative committee by officers of INTERTEL and Resorts International is part of a "propaganda barrage," connected with "sinister elements that controlled (gaming in the Bahamas)." That charge is denied in every respect.
132.	The Bahamas gates were nudged ajar largely by one man. There are parts for many players in the New Jersey script, but there are some connections that are too close for comfort.	This statement requires no comment; its meaning is not cipherable.

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133.	The advance work is being done in New Jersey by masterminds of a new kind of public relations men who have assured legislative committees there that legalized gambling is good for the community and can safely be placed in the guardianship of those "who know."	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International are "masterminds of a new kind of public relations men," who testified contrary to the best interests of the State of New Jersey. The charge is denied in every respect.
134.	"The Ugly Bahamians" told a totally different story. It was a source of information for a barrage of exposes in Life, the Saturday Evening Post, the Wall Street Journal, Time and the London Telegraph. It provided the basis for a call by Queen Elizabeth of a Royal Commission to investigate the operation of casinos in Nassau and Freeport. The Royal Commission is the British version of the McClellan Committee in the U.S. Senate.	This self-serving statement requires no comment other than that there was no reference either to Mr. Witwer or his "book" by the Royal Commission. Nor are INTERTEL personnel familiar with any acknowledgments of his assistance given by any of the authors of the stories to which he alludes.
135.	Reporters for the Wall Street Journal won a controversial Pulitzer Prize for a series on The Bahamas put together from documents used for my book.	This self-serving statement requires no comment.
136.	They noted Exposition Press had purchased my manuscript in what the Wall Street Journal called, ". . . one of the more curious arrangements in the history of publishing."	This self-serving statement requires no comment.

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137.	The episode is far more curious than the Journal indicated. I did receive a check for $53,000 from the Exposition Press, but it was handed to me by one of the architects of the deal, Robert Malin, a member of the Manhattan law firm of Simpson, Thatcher and Bartlett.	This paragraph does not pertain to INTERTEL in any way.
138.	It was to this firm that President Nixon looked in seeking a replacement for Morgenthau, whom he fired as U.S. attorney for the Southern District of New York in December, 1969.	This paragraph does not pertain to INTERTEL in any way.
139.	He chose Whitney North Seymour, a senior partner of the same firm, and effectively ended a grand jury probe of sweeping implications in how organized crime takes over cities, and even states and islands in truly "A Conspiracy Against the United States."	Mr. Witwer's effrontry is shocking. He maligns not only the present United States Attorney for the Southern District of New York, but the President of the United States, with the innuendo of an interest on their part to stop an investigation into organized crime. Obviously Mr. Witwer is aware that the Grand Jury [redacted] concerning a "conspiracy against the United States" had terminated long before Mr. Morgenthau left office. If Mr. Witwer researched the point he seeks to make in this paragraph in the least, he must have become aware of and chosen to ignore several extremely important organized

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	crime indictments returned by the Federal Grand Jury in the Southern District of New York since Mr. Seymour's appointment. Mr. Witwer once again has displayed total disregard for fact in slashing with his dull blade, and once again the SUN's assurance of all facts having been carefully checked is shown to be a brazen fabrication.
140. What made "The Ugly Bahamians" too hot to publish?	INTERTEL personnel remain curious about the answer to this question.
141. The names, dates and methods that put Lansky and his agents into the first big-time Bahamas gambling operation at the Lucayan Beach Hotel and Casino in 1963.	This statement does not comport with Mr. Peloquin's recollection of Mr. Witwer's sketchy outline. Even if correct, it is unrelated to INTERTEL or any affiliate.
142. The most suspect real estate operation since the days of the Florida "boom and bust" of the 1920's.	This meaningless series of consecutive words requires no comment.

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143.	It followed the itinerary of the former boy wonder of public relations, Tex McCrary, whose special talents made big-time gambling a reality in The Bahamas.	Tex McCrary does not now, and never has had any connection whatsoever with INTERTEL or any related company. Therefore, this statement is not related to INTERTEL in any way.
144.	Among the many hard-core documents was one that placed an owner of a professional football team on a casino "IOU" list alongside Trigger Mike Coppola, the unlamented Mafia killer.	INTERTEL personnel disagree that there is any scandal connected with the common Las Vegas practice of giving a legitimate marker to a casino, and see no connection between people who give markers to the same casino.
145.	But, that is only the tip of the iceberg.	This paragraph does not pertain to INTERTEL in any way.
146.	I was aggressively persuaded by a spokesman for Hill and Knowlton, the world's largest public relations firm, to sell the book to their favorite publisher, Ed Uhlan, president of Exposition Press, the graveyard of manuscripts termed "Too hot to handle."	This paragraph does not pertain to INTERTEL in any way.

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147.	It was Hill and Knowlton which held the $5 million plus public relations contract with Sir Stafford Sands, then minister of finance and tourism in The Bahamas and my boss in Nassau.	This paragraph does not pertain to INTERTEL in any way.
148.	One reason put forth to me by Hill and Knowlton was that publication of "The Ugly Bahamians" could create another Cuba, not 90 miles from Florida, but 60 miles from where the pavement ends at Miami Beach.	This self-serving paragraph does not pertain to INTERTEL in any way.
149.	Coupled with this noble appeal to patriotism was their evident concern over a rich public relations contract which had many fringe benefits. They knew publication of the book would mean the end of Sir Stafford and the government of which he was a part, and perhaps even a revolt of the Bahamian people against the corruption and influence-peddling of the island rulers.	This paragraph does not pertain to INTERTEL in any way.

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150.	There were others who made more persuasive arguments. They used threats and harrassment.	This paragraph does not pertain to INTERTEL in any way.
151.	Valor dictated publication of "The Ugly Bahamians," survival said, "take the money and run."	This paragraph requires no comment, except that a similar conclusion concerning Mr. Witwer's valor can be drawn by studying this series.

HEADLINES & CAPTIONS

March 23, 1971

F. "A CONSPIRACY AGAINST THE UNITED STATES"

This heading, in a story whose avowed subjects are Resorts International and INTERTEL is intended to imply and to lead the reader to infer that those companies are involved in a conspiracy with organized crime to undermine the United States. The charge is denied in every respect.

G. "1 CRIMEBUSTER FIRED; OTHER JOINED GAMBLERS"

H. "A TALE OF TWO CRIMEFIGHTERS"

These headlines, as they relate to the associated article, are intended to imply and to lead the reader to infer that Robert D. Peloquin joined corrupt gambling interests associated with organized crime. The charge is denied in every respect.

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March 23, 1971

ANOTHER SUBPOENA — Allan Witwer, author of the current copyright series being published in the Las Vegas SUN, received many subpoenas from Robert Morgenthau, U.S. attorney for the Southern district of New York. Above subpoena concerned his testimony in a case concerning an alleged conspiracy against the U.S.

This caption does not in any way relate to INTERTEL or Resorts International.

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152. The manuscript for my book, "The Ugly Bahamians," didn't stay buried very long in the vaults of the Exposition Press.	This paragraph requires no comment.
153. It was disentombed by Robert Morgenthau, the U.S. attorney for the Southern District of New York, less than four months after its purchase by Hill and Knowlton.	Mr. Witwer once again disregards the fact [redacted] b3
154. His assistant, Al Gaynor, waved it under my nose in his office and said it would be the basis for a detailed investigation of organized crime.	INTERTEL personnel have no knowledge of any conversation or meeting between Mr. Witwer and Assistant United States Attorney Al Gaynor. Mr. Gaynor is known to them, however, and they find the situation related by Mr. Witwer incredible on its face in light of the fact [redacted] b3
155. I know it did, because it was the reason for my subpoena before the grand jury and the subject of detailed interrogation by both Morgenthau and Gaynor.	No further comment on [redacted] is required. b3

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156. The manuscript and the documents were also given to Robert Peloquin, the president of Intertel, when he was chief of the "strike force" of the organized crime and rackets division of the Justice Department.	As previously stated, Mr. Witwer did not give Mr. Peloquin any documents, except a brief outline of a proposed book. To call it a "manuscript" is not factual. He gave Mr. Peloquin absolutely no documents supporting any of the allegations in the outline. He was of no value to Mr. Peloquin in any way at any time, either in government or after government service.
157. Peloquin's handling of the formidable files he collected while on the public payroll earned him the title of "The Xerox Kid" from his Justice Department colleagues.	The appellation in this paragraph is intended to imply and to lead the reader to infer that Mr. Peloquin wrongfully took documents and/or copies of documents from the United States Department of Justice. The charge is denied in every respect. No member of the INTERTEL staff has ever before heard the appellation "the Xerox Kid." Presumably it is the product of Mr. Witwer's imagination.
158. I also learned from crime writer Hank Messick, that Peloquin, while still in the Justice Department, was the source of some of the material that went into Messick's book on Bahamas gambling.	INTERTEL personnel have no knowledge of anything Mr. Witwer might have been told by Mr. Messick. It is categorically denied Mr. Peloquin gave anything to Mr. Messick in violation of his duties or trust.

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159. I told Messick it was the first time I had ever heard of a Justice Department official acting as a "stringer" for a crime writer, especially in view of the probe that Morgenthau h . going before a federal grand jury.	INTERTEL personnel have no knowledge of what Mr. Witwer told Mr. Messick. INTERTEL denies Mr. Peloquin has ever acted as a "stringer" or in any similar capacity for Mr. Messick or anyone else. Neither did Mr. Peloquin in any manner or at any time compromise any Grand Jury investigation conducted by Robert Morgenthau or any other prosecutor.
160. Another strange aspect of the affair was that Messick, at the time, was employed on the Miami Beach Sun, which was owned by Louis E. Wolfson, who was under indictment because of Morganthau's vigorous investigation and prosecution.	This paragraph is not related in any way to INTERTEL, and is another in a long line of instances in which the author seeks to associate the company in some way with allegations which obviously have no relationship to it in any way.
161. A knowledgeable Washington attorney told me when I related this incident there could have been a violation of the Federal Disclosure Act.	INTERTEL personnel do not know what Mr. Witwer may have been advised, but it is categorically denied Mr. Peloquin violated the Federal Disclosure Act, or his own standards of conduct, which are far more rigid than the provisions thereof.

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162. It was after he obtained my manuscript and documents that Peloquin went to James Crosby, chairman of the Board of Resorts International, and obtained $2 million in backing for Intertel. In view of the role Mary Carter Paint Co. played in Paradise Island gambling, it would seem to be a fair exchange.

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As previously stated, Mr. Peloquin received no documents from Mr. Witwer whatever, other than the brief outline of a book he alleges to have been a full and explosive manuscript. It is also repeated that to the knowledge of INTERTEL personnel, at no point and in no way do the names of Eddie Cellini, James Crosby, Resorts International, Mary Carter Paint Company, or any related company, appear in Mr. Witwer's "manuscript." Neither Mr. Crosby nor any of those companies had anything whatever to do with anything referred to in Mr. Witwer's outline. Mr. Peloquin was retained by Mary Carter Paint Company in 1968, approximately two years after the time to which Mr. Witwer refers, and substantially after Mr. Peloquin had quite forgotten Mr. Witwer's existence, and his outline's. At no time has any person employed by Mary Carter Paint Company or Resorts International, except Mr. Peloquin, to the best of INTERTEL's knowledge, ever seen the outline. It is vigorously denied that Mr. Witwer or his document or anything connected with either had anything to do with Mr. Peloquin's being retained by Mary Carter Paint Company. Further, Resorts International has at no time advanced moneys in the amount of $2 million to INTERTEL or Robert D. Peloquin. Resorts International is committed to give

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	financial backing for a period of time, until INTERTEL's profits provide sufficient cash flow to make it unnecessary. Circumstances have minimized the advances required under the commitment.
163. If Peloquin ever used the information in the manuscript as a source of annoyance to Meyer Lansky and Co., no one has ever reported it, not even Messick, who dedicated his book about the Bahamas to him.	Mr. Witwer's self-aggrandizing protestations to the contrary notwithstanding, the information contained in his "manuscript" consisted of a reiteration of information which had already appeared in news media at the time Mr. Peloquin saw it. Furthermore, the quality of the material was such as to be of no value for annoying Meyer Lansky.
164. Highly appropriate, the inscription read: 165. "To Bob (The Needle) Peloquin who reaps as well as sews."	The dedication was correctly quoted.

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166. Messick ended his Wolfson employment in July, 1970, when the financier sold his Florida newspaper. He acted as consultant for the Crime Commission of Syracuse, N. Y., leaving when he learned it had been infiltrated by Intertel.	Mr. Messick's employment history is unknown to INTERTEL personnel. There is no Crime Commission for the City of Syracuse, New York. Counsel to a New York State Joint Legislative Committee located in Syracuse advised INTERTEL that Mr. Messick had been retained as a consultant. Contrary to the statement in this paragraph, however, Mr. Messick asked to have his contract renewed. The reason it was not renewed had to do with the committee's finances rather than Mr. Messick's wishes.
167. How Peloquin obtained my Bahamas file, documents and manuscript for "The Ugly Bahamians," is worth recounting in detail.	Mr. Peloquin obtained no documents other than the outline.
168. In September, 1966, Wallace Turner, national reporter for the New York Times, made one of his frequent calls from San Francisco where he is based. The purpose of the call was to induce me to meet him in Washington and go to the Justice Department to talk to Henry Petersen, head of the organized crime and racket division. Petersen had replaced William G. Hundley who later joined Peloquin as secretary and general counsel for Intertel.	INTERTEL personnel have no knowledge of any such phone call. Mr. Petersen did succeed Mr. Hundley as Chief of the Organized Crime Section, but not until October 1966.

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169.	I met Turner in Nassau in February, 1965 when I was head of the tourism ministry's news bureau. He was in Nassau at the time putting together the last notes for a three-part expose in the Times.	INTERTEL personnel have no knowledge of the alleged meeting.
170.	When he called me in 1966, I had no knowledge of his long association with Peloquin. I was extremely reluctant to talk to Justice Department officials because I was under subpoena by Morgenthau and was cooperating in his investigation. The situation had a funny ring.	INTERTEL personnel have no knowledge of Mr. Witwer's reluctance to talk to officials of the Department of Justice, and fail to understand the purpose of the allegation now, since the [redacted] b3 [redacted] was related to an investigation conducted by the Department of Justice.
171.	But I went and shortly after I started talking to Petersen, Peloquin entered the room.	INTERTEL personnel have no knowledge of Mr. Witwer's ever talking to Henry Petersen.
172.	Turner left and Peloquin took me to his office.	Mr. Turner did introduce Mr. Witwer to Mr. Peloquin, but to the best of Mr. Peloquin's recollection, it was in Mr. Peloquin's office.

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173.	Peloquin came across as strictly Interpol, and he was very thorough. We began with my detailing to him everything I had told Morgenthau. It was total recall. There were two days of intensive grilling, including some little, personal things about characters I thought were unimportant.	The only meeting in Washington, D.C. between Mr. Witwer and Mr. Peloquin lasted not more than two hours. At no time was Mr. Witwer "grilled." The Department of Justice does not condone such practices and the statement of Mr. Witwer to the contrary is insulting. The discussion with Mr. Witwer revolved around the circumstances of his obtaining a large amount of money in return for not publishing inflammatory materials about the party paying the money.
174.	My meeting in Washington with Peloquin was not the last. About two weeks later he appeared at my front door in Coral Gables, Fla., with James Barrett, an Internal Revenue Service intelligence agent stationed in Miami.	This paragraph is factual.
175.	They spent two days throwing Mafia and hoodlum names at me and there were pointed hints of trouble if I didn't cooperate. They seemed particularly interested in James E. Maher, the former executive vice president of the Grand Bahama Development Co.	The meeting between the three individuals lasted approximately one-half hour, during which time Mr. Witwer voluntarily and without any pressure from anyone gave to Mr. Peloquin at his own suggestion a copy of the outline on "The Ugly Bahamians," which copy he had apparently xeroxed in violation of his agreement under which he was paid $53,000.

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176. Once again, I blueprinted for Peloquin the entry of Lansky and company into the Lucayan Beach Hotel and Casino. I repeated over again the involvement of the late Chicago millionaire, Jim Norris, who was head of the International Boxing Club, and had a silent partnership with Lansky in Bahamas Amusements, the operating company for casinos in Freeport.	Neither then nor at any other time did Mr. Witwer provide any useful information either to Mr. Peloquin, Mr. Barrett, any other federal official or anyone interested in the effort against organized crime, to the knowledge of INTERTEL personnel.
177. Under pressure and using his authority, Peloquin took copies of my manuscript and the documents. This was not my last experience with Peloquin and Barrett. I received a call from Barrett in March, 1969, while on a trip to Los Angeles.	No pressure was applied by Mr. Peloquin. Mr. Witwer gave voluntarily and at his own suggestion one copy of his "manuscript." Mr. Peloquin has no knowledge of any phone call from Mr. Barrett in March 1969, nearly two years after Mr. Peloquin's departure from the Department of Justice.
178. He was still with the IRS and he admonished me for leaving Florida without notifying him or Peloquin.	INTERTEL personnel have no knowledge of any admonishment by Mr. Barrett, but doubt the allegation that Mr. Barrett made such a reference to Mr. Peloquin after Mr. Peloquin had left the government.

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179.	This time, I became indignant. After all, I had never been in trouble with the IRS or any law enforcement agency.	INTERTEL personnel have no knowledge of Mr. Witwer's indignation. The statement about his never having been in trouble with any law enforcement agency is incorrect.
180.	Barrett ordered me to call IRS intelligence agent Don Bowler in Los Angeles and then call him to confirm I had made an appointment to see Bowler.	INTERTEL personnel have no knowledge of any orders from Mr. Barrett to Mr. Witwer.
181.	It was not the Bahamas that interested Bowler. He wanted documents and information concerning that small "restricted" Hotel Del Charro in La Jolla which I once managed for the late Clint Murchison.	It is correct that Mr. Bowler's interest in interviewing Mr. Witwer was not related to the Bahamas. His interest was in allegations of Mr. Witwer's misconduct elsewhere, namely with respect to the Hotel Del Charro in La Jolla.
182.	Since the guest list had included such prominent personages as Vice President Richard Nixon, J. Edgar Hoover, Sen. Clinton Anderson, and even Artie Samish, at one time the most powerful lobbyist in the California Legislature, I became extremely cautious and buttoned up.	No one who ever spoke to Mr. Witwer, including Mr. Bowler, would characterize Mr. Witwer's attitude toward the famous guests as "buttoned up."

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183.	There were other people who stayed there who were prominent in another way which brings up similarities between Del Charro and the Acapulco Towers which is discussed in a later chapter.	This paragraph does not pertain in any way to INTERTEL.
184.	After sparring around, Bowler made it clear to me he wanted to know how the hotel handled the bill of FBI Chief Hoover, who was an annual guest.	This paragraph is intended to imply and to lead the reader to infer that Mr. Bowler was investigating possible misconduct by J. Edgar Hoover. That is denied. Stated as it was after the claim by Mr. Witwer he had "buttoned up" about famous guests, it is also intended to imply and to lead the reader to infer that Mr. Witwer championed the cause of Mr. Hoover and protected him from Mr. Bowler. That also is denied.
185.	I told him that, naturally, I didn't carry such documents around with me.	Mr. Witwer did claim to possess records of interest to Mr. Bowler which he was unwilling or unable to produce when asked.

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186.	He ordered me to send him the documents as soon as I returned to Florida, but I decided to risk contempt citations or whatever penalties that could be assessed and ignored the command.	Mr. Bowler did not order Mr. Witwer to do anything. Mr. Witwer did agree to make certain records available to James Barrett, who would send them to Mr. Bowler. Mr. Witwer did not do as he had agreed.
187.	I wasn't overly surprised when Peloquin and Hundley were hired by Pete Rozelle, the National Football League commissioner, to provide security for the sport.	Mr. Witwer's surprise is of no import to and outside the knowledge of INTERTEL personnel.
188.	And Phillip Manual, chief investigator for the U. S. Senate permanent subcommittee on investigation, wasn't telling me anything new when he said, during a meeting in Dallas, Tex. May 22, 1970, that the professional football league had "one standard for Joe Namath and another for the owners."	INTERTEL personnel have no knowledge of the alleged conversation.
189.	I had been aware of that since Rozelle had ordered Namath to divest himself of an interest in the Manhattan tavern, "The Bachelor's Three," which the rigid football czar called a "hangout for hoodlums."	INTERTEL personnel have no knowledge of the state of awareness of Mr. Witwer.

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190. I told Manuel, who had conducted the Valachi hearings for the Senate rackets investigators, that I had known for years that Carroll Rosenbloom, when he was owner of the NFL Baltimore Colts, wasn't rubbing elbows with the Ladies Aid Society when he made the top secret "IOU" list at the Lucayan Beach casino. He shared that status with Trigger Mike Coppola, the late Mafia "hit" man.	INTERTEL personnel have no knowledge of the alleged conversation. It is incredible that Mr. Witwer, alone in the world, attaches so much significance to one's having a "marker" with the same casino as some racketeer. The marker system is common, and respectable practice in casinos in Nevada, Paradise Island, and throughout the world.
191. The Royal Commission which investigated gambling in the Bahamas also overlooked Rosenbloom's association with Mike McLaney, of whom it issued a stinging assessment. McLaney moved into the Cuban gaming scene only a few months before Castro overturned the government, and the only way to obtain Havana entry at that time was to "clear it through Meyer." McLaney's brother, William, once operated the Carousel in Las Vegas and one of his partners has been identified as a member of the Raymond Patriarca family, Salvatore A. Rizzio.	INTERTEL personnel have no knowledge of the rambling allegations of this paragraph. However, it is aware that the Commissioner of Professional Football caused extensive investigations of any possible relationship between Mr. Rosenbloom and Mr. McLaney, and resolved all allegations in favor of Mr. Rosenbloom's innocence of any wrongdoing.

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192.	The Royal Commission said merely that McLaney had been in partnership "with a Baltimore businessman." The "Baltimore businessman" was Carroll Rosenbloom. Another McLaney partner was Lou Chesler.	INTERTEL personnel have no knowledge of to whom the Royal Commission referred as a "Baltimore businessman." They are aware, however, that Mr. Rosenbloom has on many occasions stated he was never a partner of Mr. McLaney.
193.	Rozelle said 'Player's business associates must be above suspicion. The good of the game comes first."	This statement requires no comment.
194.	Rosenbloom's former partner, McLaney, in addition to gambling adventures in Cuba and plunging neck-deep into the Bahama political intrigue, reopened the Casino International in Port-Au-Prince, Haiti, in a syndicate-arranged deal with Francois "Papa Doc" Duvalier, who is cast in the mold of the Cuban Dictator Batista.	This paragraph does not pertain to INTERTEL in any way.

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195. Information on Rosenbloom's association with McLaney has long been known to Peloquin and Barrett, and presumably to Rozelle through his "consultants" who also are the chief officers of Intertel.	INTERTEL personnel are well aware of allegations to which Mr. Witwer refers. Unlike him, however, the professionals of INTERTEL have long appreciated the important difference between allegation and substantiated fact. They know of no substantiated facts regarding the allegations to which he refers.
196. The public may also be unaware that a few years ago an investigation started into reports that Rosenbloom was placing bets against his own team, but that soon was halted.	INTERTEL personnel are unaware of any allegations that Mr. Rosenbloom ever placed wagers against his own team. Mr. Witwer once again equates an investigation of an individual with the individual's guilt, and the termination of an investigation with improper motives and influence. Investigations are often terminated because it has been learned the allegations predicating them were incorrect. Mr. Witwer would be a better reporter if he learned that.
197. There's been no problem in making the public aware that Namath was a part-owner of a cocktail lounge but the people who buy the tickets and thus pay Rozelle's salary and Peloquin's fees have, for the most part, been in the dark about Rosenbloom.	No apologies are made for the conduct of Messrs. Peloquin and Hundley with respect to the National Football League.

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198.	In retrospect, that's not strange at all.	This statement requires no comment.
199.	Shortly after he left federal service, Peloquin became vice president of Paradise Enterprises Ltd., which operates the casino on Paradise Island, Nassau, The Bahamas, and he was a member of a committee that supervised the work of Eddie Cellini, casino manager.	This paragraph is factual, except that Mr. Peloquin was appointed a Vice President of Paradise Enterprises, Limited in the Fall of 1968, more than one year after leaving the Department of Justice.
200.	Peloquin said that Cellini has no criminal record, no unsavory associates and performed his work in exemplary fashion.	The statement is factual.
201.	He described Cellini's problems as "guilt by relative."	The statement is factual.

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202.	There's not a current publication on crime, whether issued by private publishers or government printing houses, that does not take a slightly different tack.	INTERTEL personnel know of no governmental publication which has ever identified Eddie Cellini as having any connection with Meyer Lansky, much less as being a Lansky "lieutenant." Contrary to Mr. Witwer's grandiose assertions, Eddie Cellini has been mentioned in very few private publications, including those cited by him; he was not even mentioned in his own "manuscript." Typically, this major point in Mr. Witwer's thesis is not supported by a single specific citation of authority.
203.	They identify Eddie Cellini, as well as his brother Dino, as Lansky lieutenants in Cuban gaming operations. They also identify both as part of the Lansky cadre at Freeport, in the Bahamas.	
204.	Eddie Cellini remained on Paradise Island as casino manager for almost two years before "he was let go."	As previously stated, Eddie Cellini was manager of the Paradise Island Casino from its opening in December 1967 until December 1969.
205.	Peloquin says that neither Cellini is now employed in any capacity by the parent firm of Intertel, Resort International but that doesn't jibe with my independent investigation or with police intelligence reports.	Mr. Peloquin's statement is correct. Dino Cellini never was so employed. INTERTEL personnel have no knowledge of information from Mr. Witwer's independent investigation, or information from police reports he fails to identify.

HEADLINES & CAPTIONS

March 24, 1971

I. "'THE MAN FROM INTERTEL'"

J. "CRIME TEXT OPENS '$2 MILLION DOOR' FOR INTERTEL"

L. "CRIME TEXT OPENED '$2 MILLION DOOR'"

These headlines are intended to imply and to lead the reader to infer that Robert D. Peloquin used the pressure of his office with the Department of Justice to his personal profit by compelling Mr. Witwer to turn over his "manuscript" which Mr. Peloquin then took with him into private life and used to persuade Resorts International to finance him and INTERTEL with backing of $2 million. The charge is denied in every respect.

HEADLINES & CAPTIONS

March 24, 1971

K. THE MEN FROM INTERTEL — Robert D. Peloquin, seated, president of International Intelligence, Inc. and William G. Hundley, recently resigned secretary and general counsel of the consulting organization, were both top Justice Department officials before leaving their government posts to join with those they investigated.

This caption is intended to imply and to lead the reader to infer that Mr. Peloquin and Mr. Hundley left the Department of Justice to "join with" organized crime. The charge is denied in every respect.

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206. Time-tested methods are being used to convince the people of New Jersey their state should be open to legal gambling.	The statement is intended to imply and to lead the reader to infer that INTERTEL is involved in a hoax on the people of the State of New Jersey. The charge is denied in every respect.
207. The salesmen are international medicine men who prescribe the income from casinos are the cure for sick economies of the cities and states, underdeveloped countries and flagging resorts.	The statement is intended to imply and to lead the reader to infer that "international medicine men" from INTERTEL are involved in a hoax on the people of the State of New Jersey. The charge is denied in every respect.
208. But underneath, the motive is a simple one. Make the state or the island dependent upon gaming and the sinister forces who operate the casinos can't very well be sent packing while the profits roll in.	The statement is intended to imply and to lead the reader to infer that INTERTEL is associated with "sinister forces" who will operate the casinos in New Jersey if legalized gambling is established there. INTERTEL is not associated with any sinister forces, in the field of gambling or in any other field. The charge is denied in every respect.

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CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
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209.	It worked for a while in Nevada. It still works in the Bahamas and various Caribbean islands. The siren song is now being heard in more and more states.	The statement is intended to imply and to lead the reader to infer that "sinister forces" operate the casino in Paradise Island and elsewhere in the Bahamas, and continue to thrive because of the "siren song" that they are necessary for continued profits. There are no "sinister forces" or any racketeer elements involved in the management of the casino at Paradise Island.
210.	The blueprint was put together for the Bahamas by Tex McCrary, whose huckstering resulted in the granting of the first certificate of exemption from a Bahamian law prohibiting gambling. The permit that ushered big time gambling into the Bahamas came in 1963, two full years after McCrary started his campaign.	This paragraph does not in any way pertain to INTERTEL or Resorts International. Tex McCrary does not now and never has had anything whatsoever to do with International Intelligence, Inc., Resorts International, Mary Carter Paint Company, or any affiliated companies, whose principal operations started on Paradise Island in December 1967, four years after Mr. Witwer's reference.
211.	But it wasn't until years later that the Bahamian people learned they were the victims of a cruel, corruptive hoax.	This paragraph does not pertain to INTERTEL in any way.

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212.	The Bahamas salesman was fronting for a maze of promoters and their corporations tainted with manipulation and corruption.	The paragraph is intended to imply and to lead the reader to infer that Tex McCrary "fronted" for Resorts International and other corporations and that Resorts International and other corporations were "tainted with manipulation and corruption." Counsel for Resorts International and affiliated companies deny the charge in every respect.
213.	While extolling the wonders of legal gambling, the public relations boys were collaborating with the leaders of the government. These leaders were on the payroll of the Grand Bahama Port Authority, from which Bahamas Amusements Co. was spun off to operate the gaming.	Neither INTERTEL nor any affiliated company has any connection with either company mentioned in this paragraph, which does not pertain to INTERTEL in any way.
214.	Even the man who was then premier of the Bahamas, Sir Roland T. Symonette, was on the take and so was the most powerful man in the islands, Sir Stanford Sands, minister of finance and tourism, and my boss when I headed the government's news bureau in Nassau.	This paragraph does not pertain to INTERTEL or any affiliated company.

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215.	It should be noted that none of the government leaders, in the absence of conflict of interest laws in the Bahamas, did anything illegal. Their positions, however, certainly weren't moral ones.	This paragraph does not pertain to INTERTEL or any affiliated company.
216.	Tex made the pitch better than anyone. He painted a picture of new schools, new roads and no more going hungry on peas and rice once a day. All this was for the benefit of the blacks, who comprise 85 per cent of the island population.	This paragraph does not pertain to INTERTEL or any affiliated company.
217.	But like so many of his promises, a better life never materialized for the poor of the Bahamas. Sir Stafford later was to claim "progress" when the island residents found enough prosperity to enjoy two meals daily. But the fare was the same—peas and rice.	This paragraph does not pertain to INTERTEL or any affiliated company.
218.	Tex simply ignored the dark side of the picture. He didn't tell the Bahamians how Meyer Lansky and the mob turned Havana into a sink of corruption. He didn't reveal that these same crawlers in society's dark places were ready to move into the Bahamas once gaming was legalized.	This paragraph does not pertain to INTERTEL or any affiliated company.

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219. The pitchmen in New Jersey aren't talking about what happened in the Bahamas, just as McCrary conveniently forgot to remember what it was like in Cuba before the mobsters were ousted and their pleasure palaces shutiered.	This paragraph is intended to imply and to lead the reader to infer that an INTERTEL representative and a Resorts International representative were "pitch men" who failed to testify candidly before the New Jersey legislative committee. The charge is denied in every respect.
220. Tex was the trailblazer when the mob leapfrogged from Havana to the Bahamas.	This paragraph does not pertain to INTERTEL or any affiliated company.
221. He turned up in the islands with a bale of seed money which he planted judiciously and produced a billion-dollar harvest.	This paragraph does not pertain to INTERTEL or any affiliated company.
222. Prior to his advent in the Bahamas, Tex had been the host of a popular morning radio talk show in the United States, but the greatest script he ever wrote and directed was the one which eventually brought the gambling license into the grasping hands of Wallace Groves, founder of the Grand Bahamas Port Authority at Freeport.	This paragraph does not pertain to INTERTEL or any affiliated company.

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223.	Groves, like McCrary, understood greedy politicians and there was plenty of what they hungered for — the Yankee dollar.	This paragraph does not pertain to INTERTEL or any affiliated company.
224.	Out front, Bahamas Amusements was owned by Lou Chesler and Mrs. Wallace (Georgette) Groves.	This paragraph does not pertain to INTERTEL or any affiliated company.
225.	Chesler, called by friends the "fat, money-making machine," was just that. He was involved in a multitude of ventures, real estate development and promotions.	This paragraph does not pertain to INTERTEL or any affiliated company.
226.	He was the spark behind General Development Co., which had turned a lot of sand and scrub into the resort cities of Port Charlotte and Port St. Lucie on both coasts of Florida.	This paragraph does not pertain to INTERTEL or any affiliated company.
227.	An asset not to be overlooked was his Canadian citizenship. Mrs. Groves, who had been Wallace's secretary in 1942 when he was sent to Danbury Federal Prison upon conviction for stock fraud, also was Canadian.	This paragraph does not pertain to INTERTEL or any affiliated company.

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228.	Under the rules of the certificate of exemption, Americans were prohibited from holding executive positions with Bahamas Amusements or working as casino employes.	This paragraph does not pertain to INTERTEL or any affiliated company.
229.	That provision was violated even before the plans for the first casino at Lucayan Beach was off the drawing boards.	This paragraph does not pertain to INTERTEL or any affiliated company.
230.	Chesler conferred in secret with Meyer Lansky to arrange for the employment of his troops ousted from Cuba in sensitive capacities in the casino operation.	This paragraph does not pertain to INTERTEL or any affiliated company.
231.	And, in the summer of 1962, Chesler arranged for a meeting to discuss the plans for the casino in the office of Max Orovitz, a Miami "civic leader."	This paragraph does not pertain to INTERTEL or any affiliated company.
232.	Present were Meyer and Jake Lansky, Chesler, Charles Craddock, the hotel manager, Herb Mathes, the architect, and Dino Cellini, a Lansky lieutenant who had the reputation of being a whiz at casino design and operation, earned in Lansky's Cuban gaming enterprises.	This paragraph does not pertain to INTERTEL or any affiliated company.

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233.	The blueprints for the Lucayan Beach Hotel and Casino were stamped "top secret," and they included a 9,000 square-foot room labelled "handball court."	This paragraph does not pertain to INTERTEL or any affiliated company.
234.	When the gaming permit was issued months later, that label came off and the Monte Carlo casino stood revealed.	This paragraph does not pertain to INTERTEL or any affiliated company.
235.	Under Dino's guidance, the "handball court" became a green felt jungle in a matter of minutes, with the proper places marked for the slots, craps and other games.	This paragraph does not pertain to INTERTEL or any affiliated company.
236.	While I turned out press releases in the front office of Grand Bahama Development Co. stressing that gambling in the "Monte Carlo of the Gulfstream" wasn't tainted with hoodlumism, the silent partners in the backroom were Lansky and Jim Norris.	This paragraph says a great deal about Mr. Witwer's credibility in print, but is totally unrelated to INTERTEL.

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237.	Norris was represented by Morris Schmertzler, alias Max Courtney, who had also been a partner of the Chicago millionaire in the old International Boxing Club. The Justice Department put the Boxing Club out of business because of mob participation in scheduling both the matches and the winners.	This paragraph does not pertain to INTERTEL or any affiliated company.
238.	Friends of Norris told me that although he needed money about as much as Aristotle Onassis, he never enjoyed a sports event unless the fix was in. He got his kicks by betting on the winners of crooked horse races, but an honest effort held no interest for him.	This paragraph does not pertain to INTERTEL or any affiliated company.
239.	Neither of the Cellini brothers had visited the Grand Bahama Development Co. offices in Coral Gables until the spring of 1964 when Dino honored us with a visit.	This paragraph does not pertain to INTERTEL or any affiliated company.
240.	Grand Bahama Development was a groves concern set up primarily to sell the land in Freeport which he had obtained from the friendly Sir Stafford for as little as $2.50 an acre, some of which sold for as much as $50,000. I was the chief of public relations, pushing the real estate and the casino operation.	This paragraph does not pertain to INTERTEL or any affiliated company.

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241. The elder Cellini was a "dino" all right, from the tip of his $150 alligator shoes to the top of his coal black hair. He was about the same size as Tony Curtis, but better looking.	This paragraph does not pertain to INTERTEL or any affiliated company.
242. If he played the role of a Lansky aide in the movies, it would be type-casting. The pulse rate of the secretaries went up while he was there.	This paragraph does not pertain to INTERTEL or any affiliated company.
243. The purpose of Dino's visit was to chat with Jim Maker, the executive vice president, about setting up a front for him as a Grand Bahama Development Co., public relations man to shield his connection with the Lucayan Beach Hotel and Casino.	This paragraph does not pertain to INTERTEL or any affiliated company.
244. He told my secretary he was applying for a loan to buy a home in the northeast section of Miami, and if anyone called he was to be identified by his new cover.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
245.	No bank ever called, but some other people did and they went into hysterics when his new "job" was revealed.	This paragraph does not pertain to INTERTEL or any affiliated company.
246.	We began to take on more public relations men than land salesmen. There was me, Dan "Dusty" Peters, the Lansky courier who was a regular visitor to our offices. Bill Safire, now a speech-writing aide to President Nixon, and of course, Tex McCary.	This paragraph does not pertain to INTERTEL or any affiliated company.
247.	Chesler had listed McCary on the payroll of his Seven Arts Productions Ltd. as vice president for public relations. His first "pr" task was to keep Chesler out of trouble with the Securities and Exchange Commission for neglecting to tell his stockholders he had put $5 million of their money into the Grand Bahama Development Co. Tex performed magnificently and there wasn't even a ripple.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
248.	His next selling job was to convince the leaders of the Bahamian government legal gaming would save their island from the economic doldrums.	This paragraph does not pertain to INTERTEL or any affiliated company.
249.	For a curtain raiser, he put together a party that included Groves and Chesler, Sir Roland and Lady Symonette. Sir Roland was the leader of the Bahamian House of Assembly and was scheduled to become the premier under the new self - government granted by the British to Crown Colonies.	This paragraph does not pertain to INTERTEL or any affiliated company.
250.	An inspection of the Chesler miracles at Port Charlotte and Port St. Lucie was followed by a party at the Fontainebleu Hotel in Miami Beach.	This paragraph does not pertain to INTERTEL or any affiliated company.
251.	The soiree was so successful that after it was over, Groves lifted his arms like the church deacon he resembled and intoned "We're home free."	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
252.	The United Bahamian Party, won the election in 1963 and Sir Roland became the premier as scheduled. In April, the certificate of exemption was granted to Bahamas Amusements, a subsidiary of Groves' Grand Bahama Port Authority.	This paragraph does not pertain to INTERTEL or any affiliated company.
253.	Although the ultimate price was exorbitant, Groves had gotten home free, all right. Lou Chesler picked up the tab.	This paragraph does not pertain to INTERTEL or any affiliated company.

HEADLINES & CAPTIONS

March 25, 1971

M. "'INTERNATIONAL MEDICINE MEN'"

N. "MOB'S PITCH: WE CAN CURE YOUR FINANCIAL PAINS"

O. "MOB MOVES IN AFTER ECONOMY 'CURE' PITCH"

These headlines are intended to imply and to lead the reader to infer that INTERTEL and Resorts International, in testifying before the legislative committee in New Jersey, did so as spokesmen for organized crime, and that their testimony was in the interests of organized crime and contrary to the interests of the State of New Jersey. The charge is denied in every respect.

HEADLINES & CAPTIONS

March 25, 1971

SQUEEZED OUT — Canadian Promoter Lou Chesler, dubbed by intimates the "fat money-making machine." He was forced out of the Bahamas gaming picture by Wallace Groves after investing $13 million in the venture.

FATHER OF FREEPORT — Wallace Groves, president of the Grand Bahamas Development Co., masterminded the opening of the first big-time gaming operation, but U.S. racketeers pocketed much of the profit.

These captions do not relate in any way to INTERTEL.

3/25/71 -- Lansky
pp. 254-270

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
254-256.	These are irrelevant paragraphs in the news story about the Lansky indictment.
257. He has also been the target of an expose currently in the SUN linking organized crime to efforts behind a move to legalize gambling in New Jersey and other areas.	This paragraph is intended to imply and to lead the reader to infer that the subjects of the SUN "expose" which in fact are INTERTEL and Resorts International, are linked to organized crime. The charge is denied in every respect.
258. Also involved in the SUN series by Allan Witwer is International Intelligence Inc., known as Intertel, a top-secret security firm working for Howard Hughes hotels in Nevada. The organization, headed by former Justice Department crime expert Robert Peloquin, was revealed in the SUN to be deeply enmeshed in the move to push casino gambling into the New Jersey resort industry.	This paragraph is intended to imply and to lead the reader to infer that there is an association and connection between Meyer Lansky and INTERTEL and Resorts International. The charge is denied in every respect.
259-270.	These are irrelevant paragraphs in the news story about the Lansky indictment.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
271.	The "price" that Lou Chesler paid to open Freeport, Grand Bahama Island, to gambling was a stiff one indeed.	This paragraph does not pertain to INTERTEL or any affiliated company.
272.	It consisted of more than $2 million in legal and consultant fees to Sir Stafford Sands, the minister of tourism and finance and the most powerful figure in the government headed by Sir Roland T. Symonette as premier.	This paragraph does not pertain to INTERTEL or any affiliated company.
273.	Sir Roland and various other members of the cabinet and the executive council received healthy "consultant" fees, as well.	This paragraph does not pertain to INTERTEL or any affiliated company.
274.	The principal beneficiary of the deal was not Chesler. After spending about $13 million in connection with the Freeport casino venture, he was eased out of Grand Bahama Development Co. by Wallace Groves, the father of Freeport.	This paragraph does not pertain to INTERTEL or any affiliated company.
275.	Groves and Sir Stafford had been allies in many Bahamas adventures, dating back to 1955. He masterminded the Hawksbill Creek Act which made a virtual Groves fiefdom of Grand Bahama Island.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
276.	The government sold Groves 150,000 acres of land for $2.80 an acre and he later found customers willing to pay as much as $50,000 an acre for some choice plots.	This paragraph does not pertain to INTERTEL or any affiliated company.
277.	The Hawksbill Creek agreement also forgave all taxes until 1990.	This paragraph does not pertain to INTERTEL or any affiliated company.
278.	After Sir Stafford greased the first gambling permit through the Bahamas executive council, Groves was to get even more mileage out of Sir Stafford.	This paragraph does not pertain to INTERTEL or any affiliated company.
279.	Huntington Hartford, the A&P heir, conceived the idea for developing Paradise Island in the early 1990s. It was to be a resort as exclusive as Heaven but with most of the pleasures found in the other place.	This paragraph does not pertain to INTERTEL or any affiliated company.
280.	Typically Huntington Hartford, Paradise Island was a loser from the opening day, surpassing some of the flops he had engineered earlier in show business, magazine publishing and a New York art center.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
281.	"Hunts" soon realized that if he was to be renowned as the host in the Bahamas he needed a casino license and a bridge from Nassau to Paradise Island to replace the "African Queen" water taxis.	This paragraph does not pertain to INTERTEL or any affiliated company.
282.	He met a solid wall of rebuff. "Hunts" was on the wrong side of the salt with the government because of his talks of correcting social injustice in the Bahamas, where the blacks outnumber the whites 12-1.	This paragraph does not pertain to INTERTEL or any affiliated company.
283.	He was a loser from the moment he said he would turn all the casino profits over to improvement of social services for the blacks.	This paragraph does not pertain to INTERTEL or any affiliated company.
284.	Finally, after total frustration Hartford sold most of Paradise Island to the Mary Carter Paint Co.	Mary Carter Paint Company did purchase most of Huntington Hartford's interest in Paradise Island.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
285. NO OLD LADY Mary Carter was no little old lady in tennis shoes, but a shady lady who had been cruising around for a beachhead in Nassau after establishing one on Grand Bahama in Queen's Cove.	This paragraph is intended to imply and to lead the reader to infer that Mary Carter Paint Company had and deserved a bad reputation and had bad intentions with respect to Paradise Island. Counsel for Resorts International denies the charge, which has been fully answered previously in this analysis.
286. Suddenly there was no more opposition to granting a casino permit for Paradise Island. Mary Carter enjoyed success where Hartford had failed, merely by changing lawyers.	Mary Carter Paint Company did receive a gaming exemption, which benefited Mr. Hartford substantially, with his retention of a 25% interest in certain Paradise Island properties and a 17% interest in one of the major hotels.
287. Hunts was represented by Higgs and Johnson, which was a distinguished firm, but it had little influence inside the government headed by Sir Roland. A senior partner, Geoffrey A. D. Johnstone, is the leader of the United Bahamian Party today but he shared in none of the spoils that went to the UBP rulers, "The Bay Street Boys of Nassau" from the Groves' venture.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
288.	Hartford also had retained Lynden O. Pindling, the present premier, who ousted Sir Roland in the 1967 elections, but with no better result.	This paragraph does not pertain to INTERTEL or any affiliated company.
289.	But we are talking now about 1965 and Mary Carter made the right move. Sir Stafford was retained and permits for gambling and a bridge connecting Paradise Island and Nassau were forthcoming with one wave of the legal wand.	This statement is correct. However, there is a clear innuendo of wrongdoing by Resorts International with respect to retaining and using the services of Sir Stafford Sands. Counsel for Resorts International denies the charge in every respect.
290.	RINGS A BELL But that shouldn't amaze Nevadans who remember when it was necessary to hire certain lawyers if gaming licenses were to have a slight chance of approval.	This paragraph does not pertain to INTERTEL or any affiliated company.
291.	But there's more.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN

292. After wading through the maze of corporations, Sir Stafford elected to hide the real story, the Royal Commission that investigated Bahamas gambling found that control of the casino and all its profits went to Groves. In Paradise, Groves used the same front that worked so well on Grand Bahama, his wife Georgette.

THE TRUTH

Counsel for Resorts International advises that the original granting of an exemption to operate legal gaming on Paradise Island contained a provision by the government that any casino must be managed by a company which had previous experience in managing casinos in the Bahamas. There was only one such company. For that reason, Mary Carter Paint Company signed an agreement with Wallace Groves that Bahamas Amusements, Ltd. would manage any future Paradise Island Casino. That agreement never was put into effect, however. When the Chairman of the Board of Mary Carter Paint Company learned of allegations concerning Meyer Lansky's involvement in Bahamas Amusements, Ltd., he immediately voided the contract and severed any and all relationships with Wallace Groves, Georgette Groves and Bahamas Amusements, Ltd. at substantial cost. The contract was voided during the Spring of 1966, nearly two years before the casino on Paradise Island opened. From that time to date, neither Mr. or Mrs. Groves, nor any associates of either have had any interest or income from Mary Carter Paint Company, Resorts International, INTERTEL, any affiliated company, or the Paradise Island Casino.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN

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ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
293.	The reason for Georgette's success and Hartford's failure and the failure of a long line of casino applicants, was made as clear as those Bahamian waters in the official report of the Royal Commission which investigated the entire caper:	This paragraph does not pertain to INTERTEL or any affiliated company.
294.	"On April 1, 1963, the governor in council granted to a newly formed company, Bahamas Amusements Ltd., a Certificate of Exemption enabling it to operate an unlimited number of casinos, each in conjunction with a hotel, for a period of 10 years on Grand Bahama Island. On the same day, or a few days thereafter, no less than three of the six non-official members of the executive council, and two members of the majority party in the House of Assembly entered into agreements with the Grand Bahama Development Co., Ltd. This company was responsible for the financing of the proposed casino operation and was to receive all the profits made by the amusements company. . . . All of these agreements . . . provided for the regular payments of monies to the persons concerned in exchange for "consultant services." In addition, Sir Stafford Sands, one of the three members of the executive council received a consultancy agreement, represented the the applicant company in submitting the application to the governor. For this service he received a fee of more than half a million dollars within a day or two of the Certificate being granted."	Once again Mr. Witwer deliberately fails to note that the report of the Royal Commission was published before the casino on Paradise Island was opened, and therefore obviously in no way pertained to it. It is also noted at this juncture that throughout his attack on INTERTEL, Mr. Witwer has pointed with esteem to the Royal Commission and its study as authoritative and expert. With that assessment, INTERTEL is in full accord. We note that the Royal Commission was headed by Sir Ranulph Bacon, K.B., the then recently retired Commissioner of Scotland Yard. INTERTEL knows Sir Ranulph Bacon to be perhaps the single greatest authority on the gaming industry in the Bahamas. Sir Ranulph Bacon is presently and has been since its inception, a member of the Board of Directors of INTERTEL, and is, therefore, one of numerous individuals libeled by the Las Vegas SUN's malicious attack.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
295.	(Legal services, Bahamas style...)	This paragraph does not pertain to INTERTEL or any affiliated company.
296.	Jim Maher, former executive vice president of the Grand Bahama Development Company, told me that he deposited the $500,000 in a Manhattan bank on orders from Sir Stafford. The reason for this was that as Minister of Finance, Sir Stafford had forbidden any withdrawal of pounds sterling from Nassau without his permission. Also, the loss from pounds to dollars would have been substantial.	This paragraph does not pertain to INTERTEL or any affiliated company.
297.	An argument familiar to Nevadans was used in the Bahamas, namely, that to protect the games, "experienced personnel had to be hired." Naturally, the experience was gained subrosa because casino gambling is illegal everywhere but in Nevada.	This paragraph does not pertain to INTERTEL or Paradise Island in any way. It is noted, however, that Mr. Witwer's extensive research by which he holds himself out as something of an expert on international gaming, has failed to impress him with the simple fact that there are legal gaming casinos throughout the world. His provincial attitude goes unmolested by the world around him.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
298.	Some names with a familiar ring turned up in key positions at the Lucayan Beach Hotel and Casino on Jan. 21, 1963.	This paragraph does not pertain to INTERTEL or any affiliated company.
299.	FAMILIAR NAMES When press releases for the opening were sent out, knowing glances were exchanged in Las Vegas and in the office of Robert Morgenthau, U.S. attorney for the Southern District of New York. The releases revealed that such seasoned hands as Frank Ritter, Dino and Eddie Cellini, Max Courtney and the elder statesman of the "Green Felt Jungle," George Sadlo, were in charge of the Monte Carlo Casino.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
300.	This was to be expected when Castro shuttered the Havana casinos in 1959. The Syndicate had to find a new location. Although there were a number of places in the Caribbean where small casino operations were run as private clubs like Cat Cay and the Bahamian Club in Nassau, they were very low key. The Bahamas was obviously the choice piece of real estate for the Mob owing to its proximity to the United States mainland from whence never-ending streams of customers headed for the crap tables.	This paragraph does not pertain to INTERTEL or any affiliated company.
301.	The Mob had tried unsuccessfully to beachhead in Jamaica for years but couldn't "get it on."	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
BLACK CLOUDS GATHER 302. Trouble began in earnest in paradise when in 1964 indictments were handed down by a Federal Grand Jury naming Courtney, Frank Ritter, Charles Brudner and Dewey Levitch for violating U.S. wagering laws in connection with large scale bookmaking operations in New York and Miami between 1959 and 1964. These indictments were the result of Morgenthau's ceaseless war on the Syndicate.	This paragraph does not pertain to INTERTEL or any affiliated company.
303. Morgenthau said the quartet had handled milions of dollars in bets on all kinds of sporting events. He said their clientele had included millionaires and professional men, some of whom bet as much as $100,000 a year. Referring to their employment at the Lucayan Beach Hotel and casino, Morgenthau said "It illustrates what happens when you legalize gambling."	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
304. (Senator Harry L. Sears and the New Jersey State Judiciary Committee, please take note.)	So far as INTERTEL personnel know, no one associated in any way with the Lucayan Beach Hotel and Casino testified before the legislative committee headed by Senator Sears of New Jersey. This paragraph is intended to imply and to lead the reader to infer, therefore, that Resorts International and INTERTEL are related to the allegations of the previous paragraphs which the author attributed to Lucaya Beach. The charge is denied in every respect. It is repeated that nothing was hidden by the representatives of INTERTEL and Resorts International who testified before that State committee; and anyone from that committee or from the legislature as a whole with any interest in learning more about either company, may be assured of complete cooperation.
305. Dan Sullivan, former FBI agent who is the director of the Miami Crime Commission, was even more caustic.	This paragraph does not pertain to INTERTEL or any affiliated company.

	LAS VEGAS SUN	THE TRUTH
306.	Referring to the claim of "gambling in the Monte Carlo tradition," Sullivan had this to say, "the two biggest bookmakers are operating a casino that the promoters had promised was going to be a legitimate operation. The next thing we hear is that Max Courtney is the general manager. Max Courtney is the closest thing to the successor of Frank Erickson of the New York Mob. The second thing we hear is that his associate is Red Reed alias Frank Ritter."	This paragraph does not pertain to INTERTEL or any affiliated company.
307.	Following the Morgenthau indictments, there were some worried conferences in the offices of the Grand Bahama Development Company and in the Bay Street office of Sir Stafford Sands in Nassau. The governor of the Bahamas, Sir Ralph Grey, demanded an explanation. Of course all the hanky-panky had escaped his attention until the charges broke in the Nassau press. The royal governor had not been informed by Sir Stafford that Lansky & Co., had taken a long term lease in the Bahamas. This wasn't unusual since royal governors are pukka-sahibs more interested in the cricket results from England, and receptions for visiting dignitaries than the likes of Lansky, Brudner, Sadlo and the Collinis, et al.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
308.	DEPORTED FOUR Asked by the governor for an explanation, Sir Stafford took the problem up with Sir Nigel Morris, chief of police who had a brilliant record in Singapore. Alas, Sir Nigel had already accepted a choice lot in Lucaya at a "special discount" for his cooperation. However, a solution was reached by deporting Sadlo, Ritter and Courtney, and the casino superstar, Dino Cellini. Of course this left Eddie Cellini in charge of the casino, so there was no particular difficulty and one problem was solved. If Sir Ralph asked Sir Stafford if Cellini was gone, he could say yes. Eddie did not rate the open press notices his brother did.	This paragraph does not in any way relate to INTERTEL or Paradise Island, or any of its affiliates or personnel.
309.	The Royal Commission states it cryptically:	These paragraphs do not pertain to INTERTEL or any affiliated company.
310.	"The man alleged to be in touch with Meyer Lansky, Dino Cellini, and three others... left the Bahamas by the 18th of February..."	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
311.	Sadlo, although named on the list, apparently had left the Bahamas by the time the "stop list" was published.	This paragraph does not pertain to INTERTEL or any affiliated company.
312.	INVOLVED IN LAS VEGAS He was a key figure in the 1955 Nevada Tax Commission investigation of hidden interests in the Thunderbird Hotel in Las Vegas which resulted in suspension of its license and a vast turnover of hotel management, including the departure of the then Lt. Gov. Cliff Jones as an officer and shareholder.	This paragraph does not pertain to INTERTEL or any affiliated company.
313.	Sadlo is also a revealing and penetrating author.	This paragraph does not pertain to INTERTEL or any affiliated company.
314.	He furnished an affidavit to the Nevada Tax Commission, then the gaming control authority for the state, which declares, "that approximately in the year 1947 he loaned Marion Hicks of Las Vegas, Nevada, the sum of $160,000," and "at some time subsequent to the making of the loan your affiant allowed Jake Lansky to partake in said loan in the amount of 50 per cent..."	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
315.	The affidavit is completed by statements he never told of Lansky's share of the loan and that "neither of them held any interest in the hotel or ownership or operating corporations."	This paragraph does not pertain to INTERTEL or any affiliated company.
316.	PAID TAX Sadlo also swore he never told Hicks of Lansky's participation in the loan, but he asserted that neither he nor Jake held any interest in the hotel or ownership in the operating corporations. That doesn't jibe with documents produced during the tax commission probe of the Thunderbird affair which showed that Sadlo and Lansky paid federal income taxes on $[illegible] in income from the hotel.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
317. The Royal Commission investigating the Mob control of gambling in the Bahamas never reported a clear trail with investment and distribution of profit lost in a labyrinth of interlocking corporations; companies set up for the sole purpose of bleeding off gambling income and all manner of subterfuge. There was a quagmire of double-entry bookkeeping, and it would take a dozen flame throwers to cut through the maze.	This paragraph, in total disregard of simple chronology, is intended to imply and to lead the reader to infer that the report of the Royal Commission was referring to the casino at Paradise Island. That charge is untrue, and Mr. Witwer and his associates knew when they wrote it, it was untrue.
318. Mary Carter's corporate offspring, Resorts International, has reported that the Groves interest in Paradise Island has been purchased. A healthy profit of more than $1 million went to Groves in that transaction, joining the more than $80 milion he received from Benguet, a Philippines mining corporation for his interests on Grand Bahama. Groves recently spudded in with a home in the Southern California golf resort, La Costa. There he will feel at home, though 3,000 miles from Grand Bahama Island.	The purchase by Mary Carter Paint Company of Wallace Groves' interest has been fully explained above, and redounds to the credit of its officers, contrary to the implication of this paragraph.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
319.	The Resorts International President, I. G. (Jack) Davis, who sold paint and steel drums for the parent corporation, Mary Carter, told reporters that Paradise Island casino offered no threat to the Groves casino at Freeport in a statement accompanying the grand opening in 1967.	It is a matter of no importance except for its accurate commentary on Mr. Witwer's investigative reporting, but neither Mary Carter Paint Company nor Resorts International ever sold steel drums. The remainder of the paragraph is factual.
320.	He also said he couldn't detect any pressure from U. S. gangland interests seeking to influence the Paradise Island operation.	This statement is correct.
321.	That's in the same class as the statement William A. Kolar, Intertel vice president, gave a reporter for the New Brunswick, N. Y. News after he appeared last month before the New Jersey Senate Judiciary Committee.	The statement attributed to Mr. Kolar was made and is correct. The implication to the contrary is denied in every respect.
322.	"There are no Cellinis working for Resorts International," he said.	

LAS VEGAS SUN	THE TRUTH
323. That's not what police intelligence records show.	Since Mr. Witwer fails to specify what police intelligence records he has inspected to make this determination, INTERTEL personnel are unable to make any comment, other than that if they exist, they are inaccurate. Counsel for Resorts International denies that Dino Cellini does now or ever has worked for or had any association whatever with Resorts International or any affiliated company. Indeed, no director or officer has ever met him. Eddie Cellini has not been employed by Resorts International or any affiliated company since December 1969.

HEADLINES & CAPTIONS

March 26, 1971

P. "'IT'S WHO YOU KNOW'"

Q. "THE HIGH PRICE OF GAMING IN THE BAHAMAS"

R. "HIGH PRICE PAID TO OPEN UP GAMING"

ARCHITECT OF INTRIGUE — Sir Stafford Sands, minister of finance and tourism in the Bahamas government, waved the magic legal wand to open Freeport and Paradise Island to gaming.

These headlines and caption are intended to imply and to lead the reader to infer that Resorts International and its predecessor company bribed Sir Stafford Sands and others to acquire legal right to open and operate the casino at Paradise Island. The charge is denied in every respect.

3/26/71 -- Lansky
pp. 324-356

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
324-356.	These paragraphs comprise an irrelevant story about Lansky's second indictment.

LAS VEGAS SUN	THE TRUTH
357. Shortly after it was announced that Mary Carter Paint Co. had taken over Paradise Island casino, I ran into one of those "in the know" characters who confirmed she was sharing quarters with a pretty gamy crew.	This paragraph is intended to imply and to lead the reader to infer that Mary Carter Paint Company as operators and managers of the Paradise Island Casino was associated with racketeers. Counsel for Resorts International denies the charge in every respect.
358. His name was David Probinsky. At the time we were deeply involved in a political plot to overthrow the Bay Street Boys of Nassau and replace them with a government headed by Lynden O. Pindling.	Once again Mr. Witwer seeks to confuse the reader by discussing the Lucayan Beach Casino and people related to it. David Probinsky is not a person "in the know" with respect to Paradise Island.
359. Probinsky had operated the King John night club in Miami's black ghetto until he went into bankruptcy. He was one of several hangers-on grouped around Pindling as he sought help from any quarter in his desperate battle to oust the white rulers of the islands from the seat of power.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
360.	Probinsky confirmed what the Royal Commission had touched upon, that the corporate maze put together by Sir Stafford Sands was an attempt to obscure the fact that the Lansky cadre had broken out of its Freeport beachhead arranged by Wallace Groves and was now doing business on Paradise Island.	This paragraph states that Meyer Lansky's "cadre" was doing business on Paradise Island, meaning running the casino. It also states that the Royal Commission "touched upon" that, which obviously is impossible. The charge is denied in every respect.
361.	My meeting with Probinsky took place in the park across the street from the library in Coconut Grove. We usually met there to avoid tails, wiretaps and assorted investigators. After all, we were only attempting to overthrow a government.	This paragraph does not pertain to INTERTEL or any affiliated company.
362.	Probinsky had just come from one of his visits to the home of Mike McLaney on the Venetian Causeway between Miami Beach and Miami. He was in an expansive mood.	This paragraph does not pertain to INTERTEL or any affiliated company.
363.	This [illegible] gloatingly that he had just made [illegible] up on McLaney. Mike told me later Probinsky used every available lord to lean on him for money, from additional funds for Pindling's campaign to an operation for his mother.	This paragraph does not pertain to INTERTEL or any affiliated company.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
364. We began by discussing the brothers Cellini, and Probinsky soon made it clear that Mary Carter had opened Paradise Island with most of the same "friendly staff" that brought you the beautiful Lucayan Beach Hotel and Casino.	This paragraph is intended to imply and to lead the reader to infer that the management of the casino at Paradise Island was infiltrated by racketeers who had previously run the Lucayan Beach Hotel and Casino. The charge is denied in every respect.
365. Only the head man this time was Eddie—Dino Cellini's brother.	It is true that Eddie Cellini, brother of Dino Cellini, was casino manager of the Paradise Island Casino. The paragraph is intended to imply and to lead the reader to infer that Dino Cellini was also involved in the Paradise Island Casino. The charge is denied in every respect.
366. "Jeez, what a laugh," Probinsky said. 367. "What is?" 368. "Oh, about Dino going to London so people will think Lansky is out of the casino. Wait till they find out who took up the slack." 369. "Mike told me Eddie Cellini is the boss man now," Probinsky said. "He makes Dino look like a ribbon clerk."	INTERTEL personnel have no knowledge of this alleged conversation. The colloquy is intended to imply and to lead the reader to infer that the Paradise Island Casino was, in fact, controlled by Meyer Lansky, using Eddie Cellini as his alter ego. The charge is denied in every respect.

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370. When they testified before the New Jersey Senate committee, the officers of Resorts International and Intertel could have shed further light on the situation.	This paragraph is intended to imply and to lead the reader to infer that the officials of Resorts International and INTERTEL who testified before the New Jersey legislative committee were not honest and candid, and hid racketeer connections. The charge is denied in every respect.
371. After Mr. Robert Peloquin resigned from the Justice Department to later become a vice president of Paradise Enterprises, Ltd. and served for almost two years on the committee that supervised the casino manager of the Cellini.	This statement is correct unless it is intended to suggest that Mr. Peloquin's resignation from the Department was caused in any way by an interest in becoming a Vice President of Paradise Enterprises, Ltd., which it was not.
372. Although people had to know of Eddie's background and connections, his presence from Paradise convinced prospective there was no mob influence in the operation.	This statement is correct, as was Mr. Peloquin's position with respect to the lack of mob influence in the Paradise Island Casino. Mr. Witwer previously admitted he had filled the press with lies proclaiming the honesty of the Lucayan Beach Casino. This paragraph is intended to imply and to lead the reader to infer that Mr. Peloquin has similarly lied in public statements. The charge is denied in every respect.

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373.	I gave Peloquin complete information and documentation on the Cellinis the year before the Paradise casino was opened. He didn't use it to drive the mobs out of the Bahamas. He wound up being the boss.	Mr. Witwer at no time gave Mr. Peloquin any information or documentation on the Cellinis. Furthermore, the statement that Mr. Peloquin "wound up being the boss" of racketeers in the Bahamas is an outrageous libel, and is denied in every respect.
374.	I wonder whether Bob's associations are known to Nevada gaming authorities?	Mr. Peloquin is willing and proud, as the Nevada gaming authorities well know, to discuss any and all of his associations, by which and whom he is happy to be judged.
375.	When things got hot because of Eddie's presence in Paradise, he was transferred to Resorts International headquarters in Miami to arrange junkets. Although Peloquin says he is no longer associated with Resorts International, the Clark County sheriff's office confirms he is a daily visitor to the firm's Miami office.	Eddie Cellini was never transferred to the Miami office to arrange junkets. He has not arranged any junkets to Paradise Island since being terminated by the company. Mr. Peloquin's statement is correct. It is not credible that the information attributed to the Clark County Sheriff's Office was ever received by them or disseminated by them to Mr. Witwer.

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376. I had heard of Meyer Lansky before I went to work for a few of the people who helped put him in the Bahamas. But I took no real interest in him until I became head of public relations for the Grand Bahama Development Co.	Mr. Witwer has misinterpreted, misstated, contorted facts, and deliberately lied throughout this series in an effort to associate INTERTEL with Meyer Lansky. Even with the benefit of that license, he has failed. In these paragraphs, he bluntly states that it is he who is the Lansky associate.
377. It then became impossible not to be acutely aware of Lansky because he was a formidable though unseen presence in the offices in Coral Gables.	
378. There were two water cooler jokes at that time. One was, "Anyone seen Meyer lately?" The other was, "Happiness is a Mary Carter Paint franchise."	Mr. Witwer demonstrates his bent toward brazen fabrication by honoring the reader with an anachronism. His own chronology indicates he "became head of public relations for the Grand Bahama Development Co." long before Mary Carter Paint Company even began negotiations to run the casino in Paradise Island. Mr. Witwer not only lies, he lies clumsily.

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379.	Despite that unseen presence, however, I kept busy trying to convince the world through the public print that our operation was unsullied by mobsters.	These paragraphs do not pertain to INTERTEL or any affiliated company. They are very much related to Mr. Witwer's credibility in print. They are part of the basis for the Las Vegas SUN's publishing unsubstantiated, unfounded fabrications which neither that newspaper nor Mr. Witwer was able to convince one single other newspaper in the United States to publish. Contrary to the claims of Mr. Greenspun in a subsequent issue of the SUN, this series was published and extensively read nowhere in New Jersey. Indeed, the New Brunswick Home News refused to publish it because of Mr. Witwer's bad reputation and its total lack of documentation. In fact, while they did not print the series, and were very much involved in the struggle to defeat the proposed New Jersey constitutional amendment legalizing gambling, they described Mr. Witwer's series as a "rehash." In contrast to Mr. Witwer's admitted hiding of truth, INTERTEL and all affiliated companies have nothing to hide, and hide nothing.
380.	Besides, we were pushing real estate and we had enough problems making Wallace Groves, who had served time for mail fraud, a household word. All we needed was some snoopy reporter to start telling the world the head of organized crime in the United States was operating our [illegible] Lads of chance.	
381.	I had placed a very old friend, who is a popular fixture in Las Vegas, on my list to receive the sparkling press releases.	
382.	He read one of my "gambling in the old world tradition" puffs and wrote back, "cut out the crap. I know who has the action."	
383.	But it wasn't until James E. Maher turned the attache case filled with documents over to me that I had proof positive in my hand.	

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384. The documents also revealed what Peloquin meant when he wrote his 1966 memo for the U.S. Justice Department stating:

385. "Mary Carter Paint Co., will be in control of Paradise Island, with the exception of the casino, which Groves will control. The atmosphere seems ripe for a Lansky skim."

THE TRUTH

The circumstances under which the alleged memorandum may have been written, if it was written, have been explained previously in this analysis. The basis for a belief that Wallace Groves would control the casino was that according to the agreement between Mary Carter Paint Company and Bahamas Amusements, Ltd., and as required as of that time by the government, Mr. Groves' company would indeed run the casino. At that time, and in light of all circumstances, that would be a matter of concern to Mr. Peloquin. Mr. Witwer chooses to ignore, however, the hard fact that Mary Carter Paint Company voided that agreement long before the casino opened, and Mr. Groves did not at any time participate in the management or profits of it. He chooses to ignore the hard fact that the reason for that was the refusal of the principals of Mary Carter Paint Company to have anything to do with any suggestion of taint of organized crime. Mr. Witwer chooses, in fact, to ignore any fact which militates against his preconceived thesis of the wrongdoing of others.

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386.	Mary Carter Paint Co., became Resorts International in May, 1968, when the paint division was sold. Peloquin confirmed recently that there were no changes in the officers and directors in the transition.	This statement is correct, as was Mr. Peloquin's assurance.
387.	The record shows that Mary Carter displayed a lot of leg in going the distance in fast company.	The meaning of this contorted metaphor is illusory and can stand no comment.
388.	The documents showed that Lansky and Jim Norris had one-third interest in the Bahamas Amusements Co., which operated the Lucayan Beach Hotel and Casino.	The only screen "thrown up to obscure the real situation" was created by the author. These paragraphs go beyond misleading implication and innuendo. They constitute a simple statement of untruth. Mr. Witwer had full knowledge that no profits of the Paradise Island Casino were ever received by the Amusements Company. These paragraphs allege, based upon that knowing fabrication, that Meyer Lansky participated in the profits of the Paradise Island Casino. That is a very serious charge, and based as it was on a knowing falsehood, demonstrates the malice of the perpetrators of it.
389.	Casting aside the corporate screen thrown up to obscure the real situation, Mary Carter was in league on Paradise Island with Bahamas Amusements, which received all of the casino profits.	

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390. The English Royal Commission commented on the Paradise Island corporate maze as follows:	Mr. Witwer repeats himself. The statement quoted was the most condemnatory thing the Commission said about Mary Carter Paint Company, and was a misinterpretation on the part of the Commission. The quotation is inserted in this series to imply and to lead the reader to infer that there is and has been skimming at the Paradise Island Casino. The charge is denied in every respect. The statement quoted appears on page 75 of the Commission's report. On page 76, ignored by Mr. Witwer, the Commission stated that in March 1967 -- nine months before the Paradise Island Casino opened -- Bahamas Amusements, Ltd. "relinquished its whole interest in the Paradise Island venture to the Mary Carter Paint Company."
391. "For the second time in our inquiry the commission found a complex of companies unnecessarily woven together in their responsibilities, thus providing facilities for inter-company financial maneuvers as with the complex on Grand Bahama."	
392. Or, the second trail of the chairman of the board of U.S. organized crime?	This paragraph is intended to imply and to lead the reader to infer that Mary Carter Paint Company and successor and affiliates were and are dominated by Meyer Lansky. The charge is denied in every respect.

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393.	Maher's documents also revealed how the silent partners of Lucaya protected their interests.	These paragraphs do not relate to INTERTEL or any affiliated company. They are inserted to confuse the reader and convince him of a connection between INTERTEL and affiliates and the people, companies, and events discussed. There is no connection, and Mr. Witwer knows there is none. The statement attributed to Mr. Peloquin in paragraph 405 was not made by him to Mr. Witwer or anyone else. Mr. Peloquin has never discussed Mr. Orovitz with Mr. Witwer. It is noted that the list of "Lansky representatives" cited at paragraph 410 et. seq. does not list Eddie Cellini.
394.	His defection came after he had been asked to resign by Groves. He gave me the documents based upon a loose agreement on the split if we found a publisher for the book which I wrote under the title, "The Ugly Bahamians."	
395.	However, I was to discover I was being led down that long, long trail a'winding nowhere. I did not know then that Maher was "locked in" with Tex McCrary. I should have stopped to figure out his motivation, but the thought of putting my hands on evidence sought by U.S. attorneys and top crime reporters was overwhelming. The stars got in my eyes.	
396.	Before he turned over the documents, Maher described the scene he found in the counting room of the Lucayan Beach Hotel casino the morning after its grand opening.	

LAS VEGAS SUN	THE TRUTH
397. He said he felt it was his obligation to look .n on the cash count as a company officer, although he had no direct part in the casino operation.	(continued)
398. The official company order placed Ed Gadinsky, the firm's accountant, in charge. The counting room, for the uninitiated, is the heart of the casino operation. This is where it's at. The buck should stop here, but it's only the starting place when the mob is in charge.	
399. Maher said he was shocked when he found Max Courtney, Dino Cellini and Frank Ritter helping with the count. But the stunner was the presence of Max Orovitz, identified almost daily in the Miami press as a "civic leader."	
400. Maher could tell that Gadinsky was nonplussed, having been relegated from chief accountant to the role of reluctant spectator.	

LAS VEGAS SUN	THE TRUTH
401. He explained that Gadinsky was under presumably irrevocable orders that all casino funds were to be deposited in the Royal Bank of Canada. This was one of the conditions imposed by E. P. Taylor, the multi-millionaire president of the Royal Bank, who had agreed to advance $6 million to the Grand Bahama Development Co., after Lou Chesler ran out of cash.	(continued)
402. In fact, this agreement was the reason Maher left the vice presidency of Butler Aviation to join our firm. Taylor would not make the loan unless someone replaced Chesler in handling the money. Lou had gone through $13 million in the style to which he was accustomed—high, wide and handsome.	
403. One thing about Chesler. He was a classy guy and one of the last of the Diamond Jim Bradys.	
404. The Orovitz mystery was partially explained by Peloquin and James Barrett when they called on me in Coral Gables months later seeking to get their hands on the Maher documents.	

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405.	"Show me a civic leader," Peloquin said, "and 10 to 1 I'll show you a front for the syndicate."	(continued)
406.	Incidentally, Lansky now enjoys the comforts of the swank Dan Hotel in Tel Aviv. The hotel was financed and is owned by three Miami business men and civic leaders, Sam Friedland, Sam Blank and Max Orovitz.	
407.	On March 26th Lansky was indicted by a Federal Grand Jury in Miami on charges of illegal gambling in connection with the Flamingo Hotel in Las Vegas.	
408.	Maher told me the money from the Lucayan Beach Hotel did not go to the Royal Bank, but was deposited in the Bank of Miami Beach by the Lansky courier, Dan "Dusty" Peters. The Miami Beach Bank has always been Lansky's favorite repository.	
409.	This routine was followed, until U.S. Attorney Robert Morgenthau started his investigation of illegal check cashing operations and collections involved with the Lucayan Beach layout.	

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410.	The first document Maher showed me listed the casino personnel and their jobs.	(continued)
411.	He went down the list and placed an "N" or an "L" behind each name:	
412.	Frank Ritter—credit manager—N.	
413.	Max Courtney—general manager—N.	
414.	Charles Brudner—floor manager—L.	
415.	Dino Cellini—craps supervisor—L.	
416.	James Baker—craps supervisor—L.	
417.	David Geiger—craps supervisor—L.	
418.	Al Jacobs—craps supervisor—L.	
419.	Roy Bell—craps supervisor—L.	
420.	Maher explained the letters indicated whether they were Lansky or Norris representatives.	
421.	"Craps supervisor" was Dino Cellini's real responsibility at this time, although he was being carried in my Grand Bahama Development Co., office in Coral Gables, Fla., as a public relations man.	

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422. Next Maher showed me the "cash flow" estimates. These were tables put together by the Lansky men who could tell from their Havana and Las Vegas casino experience the amount of money needed for daily operations, plus an estimate of what the casino should show in profit on various gross winnings.	(continued)
423. We examined the consultant contracts which disclosed the payoffs to the Bahamian government leaders and the "consultant" contracts for their help in granting Bahamas Amusements the first big-time gaming license.	
424. Maher said the certificate of exemption granted by the Bay Street Boys to usher in big-time gambling required Chesler to furnish the casino bankroll.	
425. When the time came to put up the money, $600,000 in cold hard cash, Lou was tapped out.	
426. "He and Groves decided to let Meyer do it," Maher told me.	

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427.	A letter from Sir Stafford Sands, in which he told that he had stalled the departure of Dino Cellini, George Sadlo and, Brudner to the danger point, aroused laughter. But we realized Sir Stafford had to tell the governor something when the presence of the Lansky agents in the Bahamas was called to his attention. At least Sir Stafford could say that Dino was gone without mentioning that, Eddie had been left behind.	This paragraph is intended to imply and to lead the reader to infer that Eddie Cellini was Meyer Lansky's representative at the Lucayan Beach Casino, and therefore at the Paradise Island Casino. The charge is denied in every respect.
428.	Maher also gave me the documents revealing that Sir Nigel Morris, the Bahamian chief of police who had cooperated with Sir Stafford in shielding from official eyes the presence of the trio, had purchased a choice lot in the Grand Bahama development at a tremendous discount.	These paragraphs do not pertain to INTERTEL or any affiliated company.
429.	There was a playback of the transfer of the documents from Maher to me in U.S. Attorney Robert Morgenthau's office in October, 1966. After the scene was reenacted I went upstairs and identified the documents, under oath, before a U.S. Grand Jury.	

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430.	The meeting between me and Maher in Morgenthau's office was not unfriendly.	These paragraphs do not pertain to INTERTEL or any affiliated company.
431.	By then, we both realized we were pawns in Tex McCrary's political chess game.	

HEADLINES & CAPTIONS

March 27, 1971

S. "'MARY CARTER, A REAL SWINGER'"

T. "BAHAMAS GAME SAME, WHATEVER NAME"

U. "GAME'S SAME, WHATEVER THE NAME"

These headlines are intended to imply and to lead the reader to infer that Mary Carter Paint Company and its successor company are corruptly associated with organized crime. The charge is denied in every respect.

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432.	The Congress of the United States became interested in Resorts International when the corporate offspring of the Mary Carter Paint Co. decided to break out of its tight little island and take a flyer.	A Congressional committee did hear testimony regarding Resorts International's acquisition of stock in Pan American World Airways during 1969. Resorts International did not decide "to break out of its tight little island and take a flyer."
433.	In 1969, Resorts International came up with an ambitious plan to purchase almost 10 per cent of the stock of Pan American World Airways, which would have given it control of the company.	It is not evident how the purchase of 10% of any company's voting stock would give control of that company.
434.	The coup would also have made Resorts International the largest single stockholder in Pan Am.	No coup was intended or attempted. Resorts International is the largest single stockholder of Pan American World Airways, with a 3.4% interest, as of September 30, 1970.
435.	The airline's executives became alarmed by the very real possibility the Civil Aeronautics Board would revoke its certification because of some of the people orbiting around Resorts International.	At no time was there any such stated worry. The statement is intended to imply and to lead the reader to infer that Resorts International's reputation for its associates is bad, and to do business with Resorts International involves dealing with people of bad repute. Counsel for Resorts International denies the charges in every respect.

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436. One of the orbiters that gave Pan Am concern was Bernard Cornfeld of Investors Overseas Service, the Geneva-based financier who was, and is, in deep trouble with the Securities Exchange Commission.	INTERTEL personnel have no knowledge of any actual or alleged involvement of Bernard Cornfeld with organized crime or in any criminal activity. Counsel for Resorts International advises Mr. Cornfeld is not and never has been active in the management of Resorts International. The only shareholder of record known possibly to be connected with Investors Overseas Service was Fund of Funds, Proprietory Funds, Ltd., which did own approximately seven-tenths of one per cent of the total voting power of Resorts International. The interest was disposed of in January 1971.
437. Nevada gaming control authorities revealed in 1969 that Cornfeld's Fund of Funds Ltd. held stock in Resorts International, but Robert Peloquin of Intertel told the SUN this week that the holding was less than one per cent and has been disposed of to underwriters.	Mr. Peloquin's statement is correctly attributed, and was correctly made.
438. Cornfeld's IOS sat atop a pyramid of subsidiary companies which held about $2 billion in mutual funds. Operating worldwide, IOS bought stock in numerous corporations and there was no way of identifying the real purchasers.	This paragraph does not pertain to INTERTEL or any affiliated company.

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439.	Cornfeld was closely associated with Tibor Rosenbaum of the International Credit Bank of Switzerland and an official of that bank, Sylvain Ferdman. This bank set up a branch in Nassau and in the minds of crime experts, eliminated the need for couriers in funneling syndicate money into numbered Swiss accounts.	This paragraph is intended to imply and to lead the reader to infer that Resorts International's money is "syndicate money," that it is funneled into numbered Swiss accounts, and that involved with them in that process are Tibor Rosenbaum, Sylvain Ferdman, the International Credit Bank of Switzerland, and Bernard Cornfeld. Counsel for Resorts International denies the charge in every respect.
440.	Ferdman was identified as early as 1967 in various national publications as a courier for Meyer Lansky.	This paragraph is intended to imply and to lead the reader to infer that Sylvain Ferdman acts as a courier between the Paradise Island Casino and Meyer Lansky. The charge is denied in every respect.
441.	Further information about Cornfeld's operation and its connections with Swiss banks, where syndicate men were hiding their money, came out in the 1970 trial of Alvin Malnik, a Miami lawyer for income tax evasion.	Counsel for Resorts International advises that Alvin Malnik is unknown to Resorts International. He may have been involved in L. F. Popell, Inc., to which the then Mary Carter Paint Company made a loan in approximately 1963, and about which Resorts International makes no apologies. Alvin Malnik has no connection with INTERTEL or its principals, except that Mr.

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		Peloquin testified for the government during pre-trial hearings on his indictment, and Mr. Kolar was the Director of Intelligence of IRS at the time of the indictment.
442.	Malnik had long identification as a mastermind of complicated syndicate deals. He formed the Bank of World Commerce in Nassau in which Clifford Jones and Ed Levenson held stock. The World Bank prospered until it was revealed as the "laundromat for syndicate cash."	These paragraphs do not pertain to INTERTEL or any affiliated company.
443.	Millions flowed back and forth between the International Credit Bank of Switzerland and the World Bank of Commerce for reinvestment in the United States. Millions that flowed into the Nassau bank was returned to the United States in the form of "loans" to enterprises headed by syndicate men. There was heavy emphasis on savings and loan associations.	
444.	Malnik's prosecution was delayed because of the difficulty encountered by the FBI in explaining a wiretap that had been installed in his office.	

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MARY CARTER HEARD ON FBI BUG

445. Malnik was acquitted but the FBI heard much of interest including a loan in which Mary Carter Paint Co. was involved. One conversation revealed that while the company that obtained the loan was in default, Malnik was not too concerned about Mary Carter trying to collect since the loan was illegal under Florida law.

THE TRUTH

Neither Resorts International nor INTERTEL personnel are aware of any conversations regarding Mary Carter Paint Company or any affiliated or successor company to have been overheard by any governmental agency. The innuendo by reference to Mr. Malnik's supposed feelings that Resorts International makes or has ever made illegal loans is denied. In fact, the secured loan to L. F. Popell, Inc. was made not in Florida, but in New York.

446. The anonymity which IOS stock buys gave the purchaser works two ways, much to the annoyance of Resorts International officials.

Counsel for Resorts International denies any annoyance by company officials over any supposed anonymity. It is pointed out that Resorts International was only one of thousands of kinds of stocks purchased by IOS whose sole business, as INTERTEL personnel understand it, is dealing in stock, and presumably not one of that mutual fund's larger purchases. At no time did IOS, the Fund of Funds, or any related entity own more than 1% of Resorts International's voting stock. The small interest once owned has since been disposed of.

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447. When suggestions were made that a lot of Lansky buys of Resorts International was made through IOS they couldn't disprove the rumor, nor could crimefighters prove it.	Counsel for Resorts International denies Meyer Lansky has ever owned any stock in Resorts International or any affiliated or predecessor company. No relationship is known between Lansky and IOS. It is noted, however, that Resorts International stock is sold publicly on the American Stock Exchange, and anyone desiring to purchase it can. At no time has Meyer Lansky ever participated in the smallest way in the management of Resorts International or any affiliated or predecessor company.
448. The dilemma faced by Pan Am officials when Resorts International made the overture of the stock purchase is explained by Ed Reid in "The Grim Reapers" as follows: 449. "The Resorts International purchase of Pan Am stock . . . gave certain Pan Am officials food for thought. Their concern was not only how much more stock might be picked up by Resorts International but also, and particularly, how much influence such men as Meyer Lansky might have on the future of Pan Am."	It is believed that Mr. Reid is quoted correctly. However, Mr. Reid's assertion is denied in every respect.

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450. Using the more polite language of the board room, Harold E. Gray, Pan Am's chief executive officer, put it this way in a Feb. 22, 1969 letter to the stockholders: 451. "We see nothing of benefit to your company or in the public interest which can be gained by an affiliation with Resorts."	It is extraordinary that Mr. Witwer concludes from the statement that Pan American World Airways was concerned about supposed influence of Meyer Lansky in the operation and management of Resorts International.
452. Several influential lawmakers agreed, among them the late Sen. Everett Dirksen (R-Ill.) the Senate minority leader. 453. He said, "Resorts International seems to be a sort of raiding company and it saw a chance to raid Pan Am."	Counsel for Resorts International advises that company's officers have no knowledge of the supposed statement by the late Senator, nor of the circumstances in which he might have said it.
454. Congressional Quarterly revealed that Resorts International planned to purchase large blocs of Pan Am from Gulf and Western Industries and the Chase Manhattan Bank.	This statement is factual.

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455. There were other ramifications that concerned some lawmakers.	It is not apparent what ramifications one could possibly discern from a statement regarding the potential sellers of publicly held stock from two corporations to another.
456. One Capitol Hill source declared: 457. "Since Pan Am is involved in sensitive operations for the federal government at Cape Kennedy and elsewhere (including the Nevada Test Site), a take-over by a company with substantial foreign investors might be undesirable."	Counsel for Resorts International advises that company's officials have no knowledge of the alleged statement. The relevancy of the statement to the Las Vegas SUN's charges of corruption are not obvious. Resorts International does not deny having "foreign investors." Neither do they apologize for it. Paradise Island is not in the United States. As a matter of fact, as of March 22, 1971, the total voting power of all foreign investors in Resorts International amounted to 1.98%.
458. The "foreign investors" included substantial holdings by Greek and Panamanian shipping interests in Resorts International.	Counsel for Resorts International advises that company makes no apologies for the people who have determined to invest in its stock. It is denied there is anything corrupt about attracting foreign investors.

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459.	The Los Angeles Times of March, 1969 reported "Resorts International has surprisingly good financial and political contacts."	This statement requires no comment.
460.	Included among these in 1969, were:	INTERTEL personnel are not aware of any actual or alleged involvement of either Mr. Bludhorn or Mr. Pistell with organized crime, or any criminal activity. Because he has not mentioned it, one must assume that neither has the rumor-mongering and malicious Allan Witwer.
461.	Charles Bluhdorn, whose Gulf and Western Industries "pursued other companies with endless zeal," according to the Times.	
462.	Richard C. Pistell, General Host Corp., chairman, who was described by the Times as just having "fought a bitter and apparently successful fight to take over the giant Armour and Co."	
463.	Also a stockholder in 1969 was Bert Kleiner of the Beverly Hills brokerage house whose $1 million fee from Resorts International for arranging the Pan Am purchase was "inadvertently" omitted from Resorts International's official report to the SEC on the transaction.	There was no fee of $1 million paid to Kleiner and Bell as stated. Otherwise, the statements are correct.
464.	After this oversight was revealed at an SEC hearing, Resorts International announced the Kleiner and Bell fee agreement had been cancelled.	

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465.	Resorts International's interest in Pan Am is easily understandable. In addition to being the world's largest international air line, it operates hotels in 32 countries, including five in the Caribbean with gaming casinos. One of these, Aruba, Netherlands West Indies, was operated by Cliff Jones and Jake Kozloff. In one of his memos Tex McCary, an old Pan Am hand, boasted he put them there after they encountered troubles in Las Vegas.	None of the individuals mentioned has any connection whatever with INTERTEL or Resorts International.
466.	Before Mary Carter Paint Co., became involved in the Bahamas gambling scene, its sales endeavors had been highly successful and it had more than 1,000 outlets in the United States.	This statement is correct.
467.	Obviously, Mary Carter had some supersalesmen on the staff, but, as it developed, there was some muscle, too.	This statement is intended to imply and to lead the reader to infer that Resorts International used strong-arm tactics in conducting its business.
468.	This was revealed in a New Brunswick, N.J. trial over a death threat connected with loan-sharking activities.	The charge is denied in every respect.

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469. The principals in this little drama, in which a Woodbridge, N.J. car-wash owner complained he had paid more than $6,400 for a loan of $2,000 included one John DiGilio, who arranged for the loan from Gerald Grimaldi.	This statement is intended to imply and to lead the reader to infer that Resorts International was a participant in the supposed usurious loan, and with John DiGilio. Counsel for Resorts International advises that company was not involved in any way with any such loan. John DiGilio is unknown to Resorts International personnel.
470. Grimaldi then operated a Mary Carter store in Woodbridge, and Pereira testified that in 1968, after paying weekly interest ranging from $50 to $100 a week for almost two years, he decided he "had enough."	Mr. Grimaldi appears to have been a franchisee of Mary Carter Paint Company, doing business as Algree Corp. from 1960 to 1967. As Mr. Witwer indicated above, Mary Carter Paint Company had more than 1,000 franchisees. INTERTEL personnel do not know, nor does Mr. Witwer deign to tell who "Pereira" was. Mr. Witwer intends to imply and to lead the reader to infer that Resorts International was connected in some way with the loan upon which the alleged interest supposedly was paid. The charge is denied in every respect.

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471.	Shortley thereafter he was visited at his business by men who used blackjacks to smash windows.	This paragraph is intended to imply and to lead the reader to infer that Resorts International employed the "men who used blackjacks." The charge is denied in every respect by Counsel for Resorts International.
472.	The car wash owner also testified he received a telephone threat, "I'll be down to chop off your ---- head."	This paragraph is intended to imply and to lead the reader to infer that Resorts International was responsible for the supposed threat. The charge is denied in every respect by Counsel for Resorts International.
473.	Pereira said it was DiGilio who made the threat but defense testimony claimed he was in the Bahamas on a gambling junket the day the threat was made.	This paragraph is intended to imply and to lead the reader to infer that Resorts International was involved with the alleged threat. The charge is denied in every respect by Counsel for Resorts International.

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474.	Pereira also testified he frequently made his weekly payments through the Mary Carter paint store. The car wash owner tried to withdraw his charges and it later was revealed he had received rebates of $6,400 and was in turn to drop the charges.	Mr. Witwer has indicated an awareness of the remoteness of Mary Carter Paint Company franchisees from Mary Carter Paint Company executives whom he attacks in this article. It is distorted on its face to seek to impugn the executives of a company for the unassociated activities of franchisees of whom there are more than one-thousand. Mr. Witwer's attempt to do so based upon the facts as he has presented them, shows beyond all doubt his total disregard for or interest in facts. The fact that the effort was made demonstrates his disbelief in the grand charges he makes; in short, it shows his malice. The paragraph is intended to imply and to lead the reader to infer that Resorts International was involved in the alleged "rebate" and settlement of the supposed debt. The charge is denied in every respect by Counsel for Resorts International.
475.	DiGilio was acquitted of making the threat and Grimaldi was hospitalized with a severe heart attack and wasn't tried.	This paragraph constitutes an admission of malice. The SUN refuses to acquit Resorts International of charges so remote despite the fact the jury which heard the whole case acquitted the actual defendant.

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476. The Resorts International overture in the world of corporate wheeling and dealing through the Pan Am venture led to passage by Congress of a statute making it unlawful for anyone to acquire control of an air line without Civil Aeronautics Board approval.	This paragraph is intended to imply and to lead the reader to infer wrongdoing on the part of Resorts International in acquiring Pan American World Airways stock. The charge is denied in every respect by Counsel for Resorts International. For all his venom, and despite the Las Vegas SUN's generous forum, Mr. Witwer does not in any way or at any time define wherein wrongdoing was intended.
477. Resorts International issued a formal statement declaring it planned no further ventures in Pan Am and scaled down its acquisition plan to about 4.8 per cent of Pan Am stock.	This statement is intended to imply and to lead the reader to infer wrongdoing on the part of Resorts International in acquiring Pan American World Airways stock. The charge is denied in every respect by Counsel for Resorts International. Resorts International has never owned more than 3.6% of Pan Am capital stock.
478. Gulf and Western acquisition of a large bloc of Resorts International produces some interesting sidelight.	Gulf and Western does not now and never has owned more than 65/100 of 1% of Resorts International voting stock. It is noted that nothing in the following paragraphs in any way relates to Gulf and Western's acquisition of Resorts International stock.

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479. As of last year, Gulf and Western owned 43 per cent of the stock of Transnation, controlled by the New Jersey financier, Philip J. Levin. He was blocked from purchasing shares in Parvin-Dohrman Co. when that firm came under SEC scrutiny. The SEC accused Delbert Coleman, former Parvin-Dohrman chief executive, Sidney Korshak and others of manipulating P-D stock. The firm since changed management and has a new name, Recrion.	These paragraphs do not pertain to INTERTEL or any affiliated company.
480. Transnation also owned racetracks in Illinois in 1970, and at one stage, the Illinois Racing Board got interested in a series of meetings in a small Acapulco Hotel owned by Transnation.	
UNDERWORLD MEET 481. Officials of both Transnation and Gulf and Western were vehement in denying links between the tracks and the underworld, but the guest list of Acapulco Towers in late 1969 and early 1970 is interesting.	

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482.	Among the guests were Korshak; Transnations' general counsel Newton Mandell, Coleman, Tony Roma of Montreal, identified as an associate of organized crime figures in Canada; Levin and our old friend, Meyer Lansky.	These paragraphs do not pertain to INTERTEL or any affiliated company.
483.	There was no showing in the racing board hearings of common occupancy or of face-to-face meetings at the hotel which was operated as more of a private club, using no advertising or solicitation.	
484.	But is history repeating itself?	This rhetorical question, as it relates to subsequent paragraphs and all previous and subsequent implications and innuendos about Resorts International's alleged racketeer connections in the Bahamas, is intended to imply and to lead the reader to infer that Resorts International, and therefore INTERTEL, are and have been in the past associated with Meyer Lansky and Jake Lansky as well as other racketeers. The charge is denied in every respect.

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485.	But is history repeating itself? The beginnings of the Bahamas adventure was planned in Miami with Meyer and Jake Lansky in attendance as "consultants."	This paragraph is intended to imply and to lead the reader to infer that Meyer and Jake Lansky were involved in the planning stages of Paradise Island investments by Resorts International's principals and predecessor company. The charge is denied in every respect.
486.	Recall too the Royal Commission statement in connection with the Mary Carter acquisition of Paradise Island:	The author has previously identified Meyer Lansky as "the Chairman of the Board." The Royal Commission did not state and did not imply that Mr. Lansky was associated in any way with Mary Carter Paint Company. Yet, Mr. Witwer presumes that connection and deceitfully attempts to attribute it to the Royal Commission, and implies by rhetorical question that Resorts International and INTERTEL, the victims of his malicious attack, are engaged with Mr. Lansky in a third venture. The charges are denied in every respect.
487.	"For the second time in our inquiry, the commission found a complex of companies unnecessarily interwoven in their responsibilities, thus providing facilities for inter-company financial maneuvers as with the complex on Grand Bahama." Is this the third trail of the "chairman of the Board" of U.S. organized crime?	
488-502.		These paragraphs accurately quote communications exchanged between Mr. Peloquin and Mr. Greenspun.

HEADLINES & CAPTIONS

March 28, 1971

V. "DOES SHE TANGO WITH MEYER?"

This headline is intended to imply and to lead the reader to infer that Mary Carter Paint Company and successor company are aligned with Meyer Lansky and organized crime. The charge is denied in every respect by Counsel for Resorts International.

W. "PAN AM COUP FAILS TO GET OFF THE GROUND"

X. "AIRLINE COUP FAILS TO COME OFF"

These headlines are intended to imply and to lead the reader to infer that Resorts International's interest in acquiring a large bloc of stock in Pan American World Airways was part of a nefarious scheme in which it was engaged to aid the cause of organized crime. The charge is denied in every respect by Counsel for Resorts International.

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503. The untimely deaths of the Kennedy brothers took a lot of steam out of the government drive against organized crime and this may account in part for the many decisions made by federal agents involved in the campaign to seek other employment.	This paragraph requires no comment.
504. The fact remains, however, that an uncommon number of them are now employed by the very people they once investigated and sometimes prosecuted.	This paragraph is intended to imply and to lead the reader to infer that an "uncommon number" of federal law enforcement officials involved in the fight against organized crime quit the government and became employed by organized crime. As it relates to the remainder of the article, it is meant to imply and to lead the reader to infer specifically that INTERTEL personnel gave up the effort against organized crime and joined the side of organized crime. The charge is denied in every respect. Mary Carter Paint Company was, indeed, the subject of an extensive investigation directed by Mr. Peloquin. No other client or associate of INTERTEL was ever a subject of investigation by any INTERTEL personnel. The results of the investigation of Mary Carter Paint Company impressed Mr. Peloquin and all other participants in the investigation as highly commending the management of that company for total freedom from any connection with organized crime or any criminal conduct.

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505.	In any event, charges made recently in Las Vegas by Mayor James Alioto of San Francisco that confidential information in the hands of federal agents sometimes mysteriously finds its way into strange hands gets a very sympathetic response from me.	These paragraphs do not pertain to INTERTEL or an affiliated company.
506.	The mayor noted that raw and unprocessed information was the basis of articles in a national magazine charging he had close associations with La Cosa Nostra leaders.	
507.	My problem is different. I turned over to various federal men detailed information on the mob invasion of Bahamas gambling and while much of it has appeared in print, its principal employment has been to provide basic files for cloak and dagger private security firms or open the doors to lucrative contracts and jobs.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL is a "cloak and dagger private security firm" which used materials generously given by Mr. Witwer to obtain "basic files" and "lucrative contracts and jobs." Mr. Witwer's ability as an investigator is revealed nakedly by this series of articles, which attests to the absurdity of this charge, which is denied in every respect.
508.	Robert Pelequin, president of Intertel, who obtained the manuscripts for my book, 'The Ugly Bahamians," which forged the link between Meyer Lansky and Bahama gambling, heads the firm supplying security for Resorts International.	This statement is correct, except for Mr. Witwer's description and evaluation of his own work product, as fully discussed above.

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509. Other clients include the Hughes hotels in Las Vegas and Henry Ford's lush layout on St. Maartens, Netherlands West Indies.	INTERTEL's relationship with Hughes Tool Company and Island Gem Enterprises, Ltd., in which Mr. Ford has an interest, has been described previously in this analysis.
510. Although Peloquin has been briefed fully on the background of the brothers Cellini, and the role they played in protecting the interest of Lansky in the Bahamas casinos, Eddie Cellini was casino manager in a hotel for which Peloquin provided "security" for almost two years.	Mr. Peloquin was never advised by Mr. Witwer of any role played by the Cellini brothers in Meyer Lansky's interests in Bahamas casinos. Neither Dino Cellini nor Meyer Lansky played any role whatever in the Paradise Island Casino.
511. Peloquin's own investigation must have revealed some of these links because in 1966, when he penetrated the screen that obscured the Lansky hold on casino profits generated by the Paradise Island Casino, owned by Intertel's parent company, Resorts International he wrote a memo stating: 512. "The atmosphere seems ripe for a Lansky skim."	This paragraph is a deliberate fabrication of the author which he purports to support by a supposed memorandum of Mr. Peloquin, taken totally out of context. No apology is made for the statement attributed so often by the author to Mr. Peloquin. Mr. Peloquin's assessment before the fact was obviously erroneous, if in fact it was his assessment. Of far more significance is the fact which appears on the face of this paragraph. Allan Witwer, in seeking to report the facts as he saw them so that the people of Nevada and the people and the legislature of the State of New Jersey may be fully aware of the force for evil

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thrust upon them by this huge conglomerate of traitorous ex-government officials now linked with organized crime, deliberately and importantly lied. He said Mr. Peloquin "penetrated the screen that obscured the Lansky hold on casino profits generated by the Paradise Island Casino" in 1966. There was no casino at Paradise Island in 1966. Mr. Witwer knows there was no casino at Paradise Island in 1966 because he was employed full time in 1966 fraudulently proclaiming the virtues of the casino at Lucaya Beach, which he now says was run by Meyer Lansky. Remarkably, this paragon of recent virtue affronts the reader by stating in the very next paragraph that the casino opened at Paradise Island in December 1967. Can this be attributed to a typographical error? Obviously not, since he has constantly identified the memorandum cited as having been written by that scoundrel Peloquin in 1966 and while he was still employed by the Department of Justice.

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513.	Resorts International purchased the interest in Paradise Island of Wallace Groves before the casino opened in December, 1967 but Eddie Cellini remained as casino manager.	This statement is correct.
514.	When Peloquin was questioned by the SUN regarding Cellini's tenure as casino manager at Paradise Island, he said he believed Eddie was "let go in the late fall of 1969, but I am not posiitve of this."	This statement is correct.
515.	Peloquin said Cellini was "let go." and then added, "I want to make it very clear, as far as I am concerned and as far as Resorts International is concerned, that while Mr. Cellini did have a relative that was undesirable, he himself has no criminal record. no history of associations with members of organized crime and he performed all of his duties in an exemplary manner while employed by Resort International. Mr. Cellini's main problem was "guilt of relative, if you want to put it that way which must have been a hard thing to go through."	This statement is correct.

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516.	Peloquin's glowing endorsement of Eddie Cellini does not conform with police intelligence reports which definitely indentify him as a Meyer Lansky lieutenant.	INTERTEL personnel know of no police intelligence reports which "definitely" or even tentatively identify Eddie Cellini as "a Meyer Lansky lieutenant." Mr. Witwer doesn't say.
517.	Cellini was identified by the American consul general as part of the Lansky "family" operating the Riviera in Havana and publicity about his role as casino manager at Paradise Island, finaly brought about his transfer — with oficial regret — to Miami to arrange junkets to the Bahamas.	Neither INTERTEL nor Resorts International has any knowledge of the alleged identification by the American consul general. Eddie Cellini was not transferred to arrange junkets. He has not engaged in that employment with respect to Paradise Island since leaving in late 1969. Since February 1970, there have been no junkets to the Paradise Island Casino.
518.	The information and the manuscript for my book provided the basis for a Wall Street Journal expose in 1965, printed under the heading, 'The Green Felt Jungle, East."	This self-serving statement does not pertain to INTERTEL or any affiliated company.
519.	The information was supplied to them by Tex McCrary, who had been a public relations man for the Grand Bahama Development Co. As this series has shown, McCrary was instrumental in obtaining the first license for big-time gambling in the islands.	This paragraph does not pertain to INTERTEL or any affiliated company.

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520.	How McCrary obtained the documents furnished by James E. Maher, former executive vice president of the Grand Bahama Development So., is still a mystery to me. But only two men had the manuscript, Peloquin and Robert Morgenthau, former U. S. attorney for the Southern District of New York.	This paragraph is intended to imply and to lead the reader to infer that either Mr. Peloquin or Mr. Morgenthau supplied the "manuscript" to Tex McCrary. It is denied that Mr. Peloquin did. INTERTEL personnel are confident that neither did Mr. Morgenthau.
521.	I know McCrary passed the basic information along to the Wall Street Journal because Wallace Turner, Pulitzer prize winning reporter of the New York Times told me so.	Mr. Turner, well-known and highly regarded by INTERTEL personnel, has advised he never made the statement attributed to him.
522.	Turner said "Tex tried to make a deal with our editor, but was turned down. He made a deal with the Wall Street Journal.	
523.	The Journal expose won a Pulitzer Prize.	This statement is correct.

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524.	Another former federal agent well briefed on the Bahamas situation is James A. Barrett, who for years was an Internal Revenue Service agent in Miami, specializing in rackets investigations.	This statement is correct.
525.	Barret was with Peloquin in Coral Gables, Fla., five years ago, when Peloquin, using the threat of trouble if I didn't comply took, the Bahamas information from me.	Mr. Barrett was with Mr. Peloquin at the time Mr. Witwer voluntarily and at his own suggestion gave a copy of his "manuscript" without any supporting documentation to Mr. Peloquin. No threats of any kind were used.
526.	Barrett's new post is assistant chief of security at El Casino and the Monte Carlo Casino in Freeport, Grand Bahamas Island.	It is believed that Mr. Barrett is Assistant Corporate Security Officer for Benguet Consolidated, Inc., the present owner of the casino at Freeport.
527.	Barrett's chief is Frank J. Smith, who for 11 years was an FBI agent investigating organized crime out of the Miami office. He has the responsibility of controlling gaming policy, credit, accounting and employe screening, according to management press releases.	This statement is factual, but unrelated to INTERTEL or any affiliated company.

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528. That's just for image-building, however, because gaming policies and credit are established by someone other than former FBI agents in any well-run gaming operation. The high rollers don't feel comfortable winning or losing under the surveillance of former Justice Department agents.	These paragraphs do not pertain to INTERTEL or any affiliated company.
529. As the boys on the street would say, "5 will get you 10" that Smith wasn't hired for what he knows about gambling, but for what he has gathered over the years on the boys who run the games in the Bahamas. Few need to be reminded that the Miami FBI office is in the very heart of the Syndicate belt.	
530. It might be interesting to note here that on May 5, 1970 I was called by the agent-in-charge of the FBI office in Miami, Fred Frohbose, and castigated and threatened for talking to a publisher. I often wonder what his game was.	

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531.	The latest Intertel recruit is Don Bowler, an IRS intelligence agent in Los Angeles, who has announced he is leaving government service on April 3 to join Peloquin's firm.	This statement is correct, and Mr. Bowler, former Chief of the Internal Revenue Service Intelligence Division in Los Angeles, is now with INTERTEL.
532.	It was Bowler who in 1969, interrogated me at length about Del Charro Hotel in La Jolla, Calif., which I managed for some years for Clint Murchison.	This paragraph is intended to imply and to lead the reader to infer that Mr. Bowler sought to exert improper pressure on Mr. Witwer to learn facts Mr. Witwer was honor-bound not to disclose. The charge is denied in every respect. Mr. Bowler was, in fact, investigating charges of criminal conduct of Mr. Witwer.
533.	Bowler was mainly interested in how the hotel bills of FBI chief J. Edgar Hover were paid. I ignored his request for documentary evidence.	
534.	One of the founders of Intertel was William G. Hundley, who left his post as chief of the Justice Department's Organized Crime and Racketeering Division in the fall of 1966.	This statement is correct.

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535.	He entered private practice and was retained by Pete Rozelle, commisioner of the National Football League. Peloquin left the Justice Department the following year and became an NFL counsel with Hundley. Formation of Intertel with Peloquin as president and Hundley as secretary and general counsel was announced in July 1970.	This statement is correct, except that formation of INTERTEL was initially announced in March 1970.
536.	Peloquin said recently that Hundley remains as a director of Intertel but is no longer involved in the day-by-day operation of the firm. In his private practice, he still is a National Football League consultant.	This statement is correct, as was Mr. Peloquin's.
537.	The SUN has learned that Hundley has severed all connections with Intertel on advice of Pete Rozelle.	INTERTEL personnel have no knowledge of Mr. Witwer's learning. However, there is no truth to the allegation that Mr. Hundley severed all connections with INTERTEL on the advice of Mr. Rozelle or anyone else. Mr. Hundley is a member of the Board of Directors of INTERTEL.

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538.	A prize recruiter of federal talent is C. Arnholt Smith, a San Diego financier and angel of the San Diego Padres, who placed on the payroll in his various enterprizes, all the members of a "strike force" sent out from Washington to investigate his financial affairs. The "strike force" members resigned from federal service first, of course.	This paragraph does not pertain to INTERTEL or any affiliated company.
539.	Intertel people with a background of Federal service include:	With a few minor exceptions, this list is correct but incomplete. All of the people listed are, or at one time were, employed by INTERTEL.
540.	Thomas J. McKeon, vice president and assistant general counsel, former chief of a strike force in Detroit, Mich.	
541.	William A. Kolar, vice president, former director of the intelligence division of the IRS.	
542.	John D. O'Connel, executive vice president (Northeast), former FBI agent who specialized for 24 years in organized crime and racketeering investigations.	
543.	C. J. Bologna, executive vice president (Southeast), former district director in New Orleans and Baltimore for the Food and Drug Administration's Drug Abuse bureau.	

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544. Fenelon A. Richards, vice president, security, for Paradise Island, Ltd., former director of enforcement, U. S. Bureau of Customs.	(continued)
545. Pary L. Gardner, counsel to the New Jersey State Commission of Investigation and a trial atorney in the Justice Department's Organized Crime and Racketeering Section.	
546. David I. Belisle, former deputy director of security, Department of State.	
547. Paul G. Mahon, special agent, Intelligence Division, IRS.	
548. Robert M. Ornstein, trial attorney, Organized Crime and Racketeering Section.	
549. James O. Golden, former special agent, U. S. Secret Service, specializing in presidential security.	
550. Warren Adams, formerly in charge of the gaming squad, Clark County sheriff's office.	
551. Alfred A. Pease, former FBI agent and senior instructor for training of police and security personnel, Police Services, Inc., Washington, D. C.	

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552. It appears the new trend is to hold key government positions long enough to obtain information to fortify a career in private life.	INTERTEL personnel are proud of their backgrounds which are unique in the entire world of business. It would be extraordinary for anyone with a solid background in combating organized crime to join a firm dedicated to combating organized crime and to refuse to draw upon that experience in performing that work. Such a firm is INTERTEL, and such is the practice of INTERTEL personnel. Mr. Witwer failed to note that one-half of the people he listed held their "key government positions long enough to..." retire from the government.
553. Barrett, Peloquin and Bowler knew they were quitting government service when they were pressing for documents and information which would give them immunity from the FBI.	Mr. Witwer gave no documents other than his "manuscript" to Mr. Peloquin, Mr. Barrett, or Mr. Bowler. He was not "pressed" by any of those three to give any documents. In 1966, when Mr. Peloquin spoke to Mr. Witwer, he did not know he was leaving the government. In 1969, when Mr. Bowler spoke to Mr. Witwer, he did not know he was leaving the government. Mr. Witwer would be disappointed to learn how remote he and his life's work were from the career plans and ambitions of Messrs. Peloquin and Bowler. The paragraph is intended to imply

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	and to lead the reader to believe that Mr. Witwer's information was such that the possession of it would grant immunity from investigation by the FBI, and that Messrs. Barrett, Peloquin, and Bowler sought it for that purpose. That ludicrous charge is denied in every respect.

HEADLINES & CAPTIONS

March 29, 1971

Y. "THEY'D RATHER SWITCH THAN FIGHT"

Z. "MANY FORMER AGENTS SEEK GREENER PASTURES"

AA. "FORMER AGENTS PULL A SWITCHEROO"

These headlines are intended to imply and to lead the reader to infer that INTERTEL personnel who formerly worked for the government in the effort against organized crime foresook that effort and joined the forces of organized crime. The charge is denied in every respect.

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554. "The commission regards junkets, the personal collection of debts in discharge of IOUs and the carrying of cheques into the United States as undesirable features of casino operations, open to abuse, and recommends both that junkets be discontinued forthwith and that the services of Messrs. Farrell, Braca and Brudner as debt collectors and those of Messrs. Stark and Peters as collectors and public relations agents be dispensed with." 555. —Report of the Commission of Inquiry into the Operation of the Business of Casinos in Freeport and in Nassau—1967. 556. Her Majesty's Royal Commission, which convened in the Bahamas in 1967 to investigate all aspects of gambling in the island paradise, immediately recognized a problem which didn't concern Nevada gaming authorities very much until three years later. 557. The "problem" was the junket, in which large numbers of known high rollers are bundled up and flown to resort areas with casinos. 558. The commission noted that the high roller seldom carries large amounts of cash and most of his business at the tables is transacted through the use of "markers" or acknowledgements of amounts that were lost. 559. The Royal Commission noted that the cost of junkets is high, since the sponsoring casino charters the airplane and pays all hotel bills; but that the outlay is worthwhile since the commission was told that "two-thirds of the casino profits came from junkets."	These paragraphs do not pertain to INTERTEL or any affiliated company.

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560.	TOP CREDIT RATING "It is obvious then that the casinos must be careful whom they choose to go on junkets," the commission report continues. "Not only must the intended junketeer be a big gambler but he also must have a high credit rating."	These paragraphs do not pertain to INTERTEL or any affiliated company.
561.	That states clearly the qualifications the junketeer must meet before he is chosen, but what happens after that concerns us most.	
562.	The Royal Commission put it this way:	
563.	"Once the junket arrives, its members live almost completely on credit, so that at the end of the trip, they will almost certainly owe the casino money, the amount depending upon their luck at the tables. The managers and the organizers from New York then begin the complicated task of recovering debts."	
564.	"The collectors in New York" are identified in the commission report as "Messrs. Ernie Braca and Frank Farrell" while the Miami junket managers and collectors are identified as Messrs. Dan "Dusty" Peters and Herman Stark.	
565.	In both instances—New York and Miami—the "collectors" use the "personal approach" in trying to persuade gamblers to make good on markers not covered by cheque.	
566.	It wasn't until 1970 that Nevada gaming authorities admitted to some "real abuses" in connection with junkets to Las Vegas.	

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567. The "real abuses" consisted of threatening phone calls to gamblers who owe money to Las Vegas casinos and the fact that one junket organizer "might be connected with organized crime."	These paragraphs do not pertain to INTERTEL or any affiliated company.
568. Also discovered was some loan-sharking, in which junket organizers loaned guests money for gambling at exhorbitant rates.	
569. The state finally decided in July, 1970 to adopt a rule declaring that casinos who do business with junketeers with unsavory reputations and backgrounds will face disciplinary action — even loss of license.	
570. Earlier this year, four western New York residents were indicted on charges they "fleeced passengers on charter flights to Las Vegas with crooked gambling games."	
571. Along the way, a Hawaiian tour director, Harry Otake, 48, was found garrotted and stuffed into the trunk of his car, following reports he was supposed to meet with two leaders of the Hawaiian underworld.	
572. According to police records another tour director, Sammy Gingello, in December of 1969 reported someone had stolen $125,000 he had collected from junketeers from the Rochester, N.Y. area.	

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573. It wasn't too long after that—early in 1970—that a neighbor of Gingello, William G. (Billy) Lupo was discovered with three bullet holes in his head. Police reported on the night of the alleged burglary the tracks of the robber were traced into Lupo's yard.	These paragraphs do not pertain to INTERTEL or any affiliated company.
574. But in attempting to rid the junket business of unsavory characters, Nevada gaming authorities probably aren't getting to the heart of the problem as the Internal Revenue Service sees it.	
575. Last year, Nevada casinos wrote off some $46 million in gaming debts as uncollectable and there have been several false starts made along the way to determine whether the "writeoff" is legitimate.	
576. Federal grand juries have been convened in several jurisdictions, including Miami and Southern California, to probe this aspect of casino operation, in the behalf that collection of markers poses the greatest opportunity for organized crime to "skim" gambling profits into their own vaults.	

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577.	U.S. Attorney Doug McMillan, chief of the Justice Department's organized crime bureau in Miami, had a subpoena sent to Meyer Lansky in Tel Aviv where the "chairman of the board" of U.S. organized crime has applied for a permanent visa to live in Israel.	These paragraphs do not pertain to INTERTEL or any affiliated company.
578.	For more than a year a federal grand jury has been investigating profit-skimming at the Flamingo Hotel casino in Las Vegas from 1969 through 1967—and Lansky, the prime target of the probe, was indicted on March 24th.	
579.	The "skim" comes when the "collector" picks up the money owed by a customer at a Las Vegas casino, but tells the resort he hasn't been able to persuade the individual to make good on his marker.	
580.	The casino would carry the item as a "bad debt" and it eventually would be written off and this apparently happens in an important number of instances, judging from the $46 million reported by Nevada casinos as not collected last year.	
581.	This new thrust in grand jury probes could well account for the recent IRS "invasion" of the accounting office of the Stardust, where agents photostated the casino credit records.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
582.	UNDERWORLD WHO'S WHO Among those summoned before grand juries in the last several years to be questioned about junkets and "skimming" were the underworld "400" including some super-stars whose names have long been connected with organized crime in the United States.	These paragraphs do not pertain to INTERTEL or any affiliated company.
583.	These include Tony Giordano, alleged Mafia chieftain in St. Louis, Mo., Pasquale (Patsy) Erra, reputed enforcer for the late Trigger Mike Coppola, who we met earlier through names on the Freeport casino IOU list, Tony Accardo and Paul (The Waiter) Ricca.	
584.	These are the musclemen of organized crime, the hoodlums who spread fear and terror which gives the underworld elite powerful holds on communities, states, and increasingly in national government circles.	
585.	Wherever debt collection is involved, whether it be for casino markers or loan-sharking, a thread runs to the enforcement arm of organized crime.	
586.	Legitimate casinos collect such debts through cashier cages and credit offices, but those tainted by racket connections have no time for the niceties of business and it becomes a matter of "pay up or else."	

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CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
587.	The Bahamas casinos, despite the admonition in the 1967 Royal Commission report, still operate jungets and some real "experts" are involved. After two years as manager of the Paradise Island Casino, the glare of publicity became too hot on Eddie Cellini and he was transferred to Miami to arrange junkets.	As Mr. Witwer knows, but would rather the reader did not, Resorts International no longer runs junkets. Since being dismissed in December 1969, Eddie Cellini has not run junkets to Paradise Island, nor anywhere else to the knowledge of INTERTEL personnel.
588.	CELLINI STILL WORKING Although Robert Peloquin denies that Cellini is still working for Resorts International, police intelligence reports placed Cellini in the firm's office in Miami, where he allegedly was checking credits and added he was almost a daily visitor to the Resorts International headquarters at 915 N.E. 125th St., North Miami, Fla.	Mr. Peloquin's assertion was correct. Mr. Cellini is by no exercise of the imagination "almost a daily visitor" to the North Miami offices of Resorts International since being severed. He has been there only on very rare occasions, and is no longer employed by Resorts International.
589.	Peloquin identified this as the Resorts International accounting office.	This statement is correct.

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	LAS VEGAS SUN	THE TRUTH
590.	Dino is reported to be connected with a travel agency, Travel Resorts Enterprises, which also is in the business of arranging junkets, and presumably collecting the markers left behind by the revelers.	Counsel for Resorts International advises that neither Dino Cellini nor any agency or entity of any kind called Travel Resorts Enterprises is, or ever has been, connected in any way with Resorts International or any affiliated company.
591.	The importance of the junket business to resort-area casinos is further revealed in a formal statement of Feb. 9, 1971, filed with the Securities and exchange Commission by Resorts International.	While the conclusions drawn and implied by Mr. Witwer are contrary to fact, the facts alleged in these paragraphs are correct.
592.	The company represented to the SEC that in February, 1970 it "terminated the complimentary tour program under which potential users of gaming facilities were, from time to time, invited to Paradise Island and furnished free food and beverages, hotel accommodations and or transportation."	
593.	This section of the report continues:-	

LAS VEGAS SUN	THE TRUTH
594. "In 1968, 1969 and the nine-month period ended Sept. 30, 1970, the costs to the casino of this program as well as other casino promotional activities described below were approximately $934,000, $3,183,000 and $740,000 respectively. Such costs represented for the most part intercompany charges for hotel accommodations, food and beverages computed generally at rates related to those charged to the public.	(continued)
595. Eligibility for participation under the complimentary tour program required an ability to be extended credit and a willingness to participate in casino gaming activities. On occasion, the company required travel agents and tour leaders to guarantee losses from gaming receivables resulting from such trips."	
596. This flat assurance that Resorts International had taken heed of a recommendation in the Royal Commission report three years after it was issued is watered down somewhat in a subsequent paragraph, however.	Discontinuance in February 1970 of Resorts International's policy of authorizing charters was in no way related to the 1967 recommendations of the Royal Commission. The discontinuance was based solely on economic considerations tied to the tax structure in the Bahamas.

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CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
	COMPS CONTINUE	
597.	"While the complimentary tour program has been discontinued, free services and other facilities are still offered certain casino patrons. Additionally, free meals and beverages are made available to groups assembled by travel agents whose members do not remain overnight on the island."	This paragraph is accurate.
598.	In addition to the Cellini presence in Miami, recent intelligence confirms that Ernie Braca is a junket coordinator with Frankie Farrel, both of whom were subpoenaed before a Federal Grand Jury in New York in 1968.	This paragraph is intended to imply and to lead the reader to infer that Dino Cellini, Ernie Braca, and Frankie Farrel are junket coordinators for Resorts International. That is untrue.
599.	Bob Peloquin had denied that either is connected in any way with Resorts International.	This statement is correct.
600.	It seems a cinch bet that Braca, Farrel and the brothers Cellini have kept to a minimum any losses that might arise from junkets they direct to the Bahamas.	This paragraph does not pertain to INTERTEL or any affiliated company.

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LAS VEGAS SUN	THE TRUTH
601. Referring back to the problems that might arise from collection of markers or IOUs, Resorts International, in its SEC presentation of Feb. 21 reported that as of Sept. 30, 1970 "gaming receivables amounted to $1,462,034, of which the company had an allowance for uncollectible accounts of $900,000 or approximately 61.6 per cent."	This statement is factual and not the least embarrassing.
602. This "allowance" of 61.6 per cent reserved for uncollectible accounts is the Rosetta stone which resolves the mystery of Resorts International and how casino profits find their way "into unsavory hands," to borrow the phrase from the Royal Commission. It provides the key to decipher how gambling profits were transferred to the hidden interests which are built in private pyramids of companies and corporations—interlocked.	This paragraph is intended to imply and to lead the reader to infer that Resorts International engages in skimming practices and that money skimmed from casino income is diverted to racketeers. The charge is denied in every respect. As Mr. Witwer is well aware, the quotation attributed to the Royal Commission was made long prior to the opening of the Paradise Island Casino and is not related to it in any way. The paragraph is also intended to imply and to lead the reader to infer that there are hidden racketeer interests in Resorts International and affiliated companies. The charge is denied in every respect.

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	LAS VEGAS SUN	THE TRUTH
603.	The Royal Commission heard reports from "losers" who had signed markers in the six-figure category, but could uncover no written entries of such losses in Bahamas' casino books and records.	Once again Mr. Witwer tampers with history and condemns Resorts International based upon conditions which did not and chronologically could not have had anything whatever to do with it. The paragraph is intended to imply and to lead the reader to infer that the previous charge that Resorts International used the reserve for uncollectable accounts for skimming purposes is proved by the fact the Royal Commission could find no written entries for large losses. Obviously, there were "no written entries of...losses" for the Paradise Island Casino before it opened. Mr. Witwer deliberately seeks to make the reader believe otherwise.
604.	Ever fair, the Royal Commission reported the accounting was so atrocious that charges the marker collections were "skimmed" into mobster bank accounts couldn't be substantiated.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
'LOADED BEER'	
605. The commission did note, however, that Wallace Groves' Bahamas Amusements Ltd. did ship large quantities of cash to the United States—in direct violation of the certificate of exemption—including one $120,000 bundle in a beer carton. The shipment was identified as "engraved bank forms."	These paragraphs do not pertain to INTERTEL or any affiliated company.
606. Which they were, but the negotiable kind.	
607. The commission blamed "inefficiency and ineptitude rather than blunt illegality" for such happenings, but it added, darkly, "there are however, certain individuals who were . . . likely to be able to obtain improper benefit. We can put it no higher than that."	
608. Sporting chaps, the British.	

HEADLINES & CAPTIONS

March 30, 1971

"THE JUNKET, THE SKIM AND THE IOU"
"NEVADA LAGGED BEHIND IN FINDING 'PROBLEM'"
"NEVADA SLOW TO DISCOVER PROBLEM"
"COMPS CONTINUE"

These headlines are intended to imply and to lead the reader to infer that Resorts International uses junkets and markers to facilitate a scheme of "skimming." The charge is denied in every respect by Counsel for Resorts International.

EE. "CELLINI STILL WORKING"

This headline is intended to imply and to lead the reader to infer that Eddie Cellini is still employed by Resorts International, despite Mr. Peloquin's assertions to the contrary. The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
609. If the assertion of a Justice Department official that "organized crime has its own intelligence network" is true, it is just as accurate to say that it also has its own political arm.	Mr. Witwer has previously used the literary device of rhetorical questions to accuse INTERTEL of being the intelligence network of organized crime, which charge is untrue. He now, in view of all his assertions about the nature and purposes of testimony before the New Jersey legislative committee by officers of INTERTEL and Resorts International, and by all the circumstances surrounding this paragraph, including the headline ("JERSEY GETS LEGALIZED GAMING DOUBLE TALK"), intends to imply and to lead the reader to infer that INTERTEL and Resorts International are the "intelligence network" and "political arm" of organized crime. The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
610. The political arm of organized crime corrupts government and sometimes even overthrows it.	Mr. Witwer continues his thesis to the conclusion that the political arm of organized crime (said by him to be INTERTEL and Resorts International) corrupts and overthrows governments. INTERTEL and Resorts International are not the political arm of organized crime and do not, have not, and never will seek to corrupt or overthrow any government.
611. The syndicate planned to reinstate Cuban Dictator Fulgencio Batista because his successor wasn't friendly to their operations and its soldiers play a strong role in protecting Francois "Papa Doc" Duvalier in Haiti. He permits them to operate and they provide a bodyguard.	This statement does not pertain to INTERTEL or any affiliated company.
612. Bugged conversations in the office of the Miami lawyer for the syndicate and the man sometimes identified as Meyer Lansky's heir apparent, Alvin Malnik ,revealed that the mob knew as much about the FBI as did the federal agents about the syndicate. Counter-intelligence it's called in polite circles.	Mr. Witwer has previously implied that Alvin Malnik is associated in some way with Resorts International, which he is not. This paragraph is intended to imply and to lead the reader to infer that through Mr. Malnik, INTERTEL disclosed confidential information in governmental files to organized crime generally and Meyer Lansky specifically. The charge is denied in every respect.

LAS VEGAS SUN

COUNTER-SPYING

613. The syndicate was furnished instant intelligence reports from several crime fighting agencies, and it is difficult to avoid the presumption they came from government employes who found it more popular to join than fight the mob. Some of the Justice Department, FBI and IRS agents who now work for the elements they once had under official surveillance, no doubt became discouraged by the lack of prosecution and conviction of those whom they believed to be dangerous to society.

614. But others were definitely wooed by rewards far richer than even the most dedicated public servant could hope for. Organized crime pays well for its full range of services to keep it informed of law enforcement activities and the price is right, sufficient to reach top levels of government.

THE TRUTH

Mr. Witwer has previously accused INTERTEL personnel of having joined the mob. This paragraph is therefore intended to imply and to lead the reader to infer that those personnel "furnished instant intelligence reports from several crime fighting agencies" to the syndicate. The charge is denied in every respect.

This paragraph is intended to repeat and reinforce the implication and inference that INTERTEL personnel "sold out" to the mob. This charge is denied in every respect and in the case of every one of the INTERTEL personnel.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
615. Meyer Lansky was making no idle boast when he said, "We're bigger than U.S. Steel."	These paragraphs do not pertain to INTERTEL or any affiliated company.
616. As for the overthrowal of governments, Tex McCrary blueprinted how a government can be subverted and bent to the will of sinister elements when he enlisted the help of United Bahamian party leaders in introducing crime into the island gambling picture.	
617. When he didn't receive the rich rewards he thought he deserved from that coup, his next move was to help bring down the government which he had corrupted to pave the way for the invasion of the Lansky cadres into the casinos of Freeport.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
618. McCrary had a partner in this action. He was James E. Maher, the executive vice president of the Grand Bahama Development Co., who, like McCrary, was a victim of the axe wielded by the man who profited most from the opening of the Bahamas to gambling, Wallace Groves.	These paragraphs do not pertain to INTERTEL or any affiliated company.
619. When he left his office in Coral Gables, Fla., Maher took with him the contents of his ample desk, including every conceivable document connected with the gambling license won by his employer.	
620. He immediately joined McCrary's torpedo fleet and fired a telling salvo at the Bay Street Boys, the government headed by the premier, Sir Roland Symonette and Sir Stafford Sands, the minister of finance and tourism.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
PRIZE WINNER 621. McCrary planted the information with national magazines and other publications, including the Wall Street Journal, which won a Pulitzer Prize for its expose of corruption in the Bahamas.	This statement does not pertain to INTERTEL or any affiliated company. It is noted, however, that now the claim the Wall Street Journal Pulitzer Prize was based upon the industry of Mr. Witwer, has been abandoned by Mr. Witwer.
622. Maher gave the documents to me and I turned them over to Robert Morgenthau, then U.S. attorney for the Southern District of New York, and later identified them under oath before a federal jury.	This statement does not pertain to INTERTEL or any affiliated company.
623. Robert D. Peloquin also obtained copies of the copies and the manuscript of a book exposing the Bahamas wheeling and dealing.	Mr. Witwer gave Mr. Peloquin no documents or copies of documents whatever, except his "manuscript."

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
624.	PINDLING SUPPORT GROWS These exposes of the Bahamas situation proved to be a powerful weapon in the hands of Lynden O. Pindling, the leader of the United Progressive Party, the avowed foe of Sir Stafford and Sir Roland and the Bay Street Boys who ran the United Bahamian Party. On the strength of the exposes Pindling became the first black premier of the Bahamas.	These paragraphs do not pertain to INTERTEL or any affiliated company.
625.	Another McCrary ally was Mike McLaney, who was suckered by Meyer Lansky into purchasing the Hotel Nacional in Havana a few months before Cuban Dictator Fidel Castro shattered the islands and ousted the American interests.	
626.	McLaney furnished campaign funds, a boat and a helicopter to Pindling for campaign jaunts in the Bahamas. He later told the Royal Commission his motive was to "help the Bahamian people" rid themselves of the white overlords who had grown enormously wealthy through their stranglehold on the island's political and economic life.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
627.	The Royal Commission didn't believe that McLaney was such an idealist. He was branded an undesirable in the official report.	These paragraphs do not pertain to INTERTEL or any affiliated company.
628.	But the "three Ms" McCrary, Maher and McLaney, had every reason to be gleeful when Pindling romped home in 1938, ousting the white Bahamian government. From the sky had not only dropped a pie, but the whole bakery.	
629.	Anyway, so they thought.	
630.	What were their rewards the second time around? Would you believe not so much as a conch shell, or even a few of those funny straw hats worn by the touristas?	
631.	Nada ...	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
632. Pindling, who always has had a special contempt for what he constantly referred to as "the American mentality," had become increasingly disenchanted with McCrary because of a lack of financial help. This accounted for his eager embrace of McLaney who at least put his money where his mouth was.	These paragraphs do not pertain to INTERTEL or any affiliated company.
633. Though McCrary had written the speech on colonialism which Pindling delivered before a United Nations Commission on underdeveloped nations and colonialism, an oration that won him wide acclaim in the Iron Curtain countries and made him a hero with the downtrodden blacks of the home island, it paid no campaign bills in 1966.	
634. Tex had continually boasted to Pindling of his very rich friends, including the tops of Wall Street and the social register. He strangely made little effort to provide badly needed money for the Pindling campaign.	

ANALYSIS OF EACH & EVERY ALLEGATION

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LAS VEGAS SUN	THE TRUTH
635. One theory which had gained substantial weight was that Tex had just about had the last supper at the tables of the super-rich.	These paragraphs do not pertain to INTERTEL or any affiliated company.
636. Some of Tex's more spectacular deals had aroused the interest of the Securities Exchange Commission and the identities of some of his more notorious clients was surfacing in books on crime and in the media.	
REWARD NOT FORTHCOMING 637. So confident was Tex, however, that he was to be rewarded by Pindling that almost as soon as the votes were counted, he and Bill Safire appeared on the island with a pre-drawn agreement awarding Safire's firm the government tourist promotion account, worth $5 million, held by Hill and Knowlton.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
638. This firm had continued to issue bland press releases while the storm clouds gathered over the UBP boys and it was a foregone conclusion H. and K. was expendable.	These paragraphs do not pertain to INTERTEL or any affiliated company.
639. Testifying before the Royal Commission, Cecil Wallace-Whitfield, at that time Pindling's closest friend and advisor, said "Mr. McCrary is the kind of man who grabs you and squeezes you, and if you have a thought left in your mind when he's finished, you are lucky. He brought with him a pre-drawn agreement for us to sign awarding the tourist and promotion account to his friend, Bill Safire. McCrary was pushing it at us to sign. Wherever we went, he was right behind us."	
640. I learned that Safire had once held the public relations account for the Lucayan Beach Hotel and Casino when I ran into a former colleague on Liberty magazine, Bernie Glaser, at the resort's press opening on Jan. 14, 1964. He was there with his boss, Safire, who obtained the account through his friend, McCrary.	

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LAS VEGAS SUN	THE TRUTH
641. When McCrary was fired by Groves from the Grand Bahamas Development Co., Satire lost the Lucayan Beach account and McCrary couldn't swing the government contract he pushed at the new premier. Satire went on to greater things. He is now a speech writer for President Nixon.	These paragraphs do not pertain to INTERTEL or any affiliated company.
642. Tex had worn out his welcome but he left behind a legacy of political intrigue that may again be running its course.	
643. The new premier didn't forget one of his campaign aides. That's David Probinsky.	
644. Probinsky's previous experience had been as the operator of the defunct King Jena night club in Miami's ghetto, but now he struck it rich.	

ANALYSIS OF EACH & EVERY ALLEGATION

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LAS VEGAS SUN	THE TRUTH
645. When Pindling dumped Hill and Knowlton, as expected, he selected the Interpublic Group to handle the $5 million plus tourist and promotion account. And he made it clear that Diversified Services was to become a subsidiary of Interpublic.	These paragraphs do not pertain to INTERTEL or any affiliated company.
646. "Diversified Service" was the name Probinsky used on business cards he had printed to give himself a front for some errands around Miami Beach.	
647. Wallace-Whitfield also told the Royal commission of another footprint left by McCrary as he master-minded Pindling into the driver's seat.	
648. "McCrary came to me later," Whitfield said. "He played a tape recording of a phone conversation between himself and Mike McLaney. In the tape recording McLaney told McCrary 'I've got a deal with Pindling.' ".	

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ODD COINCIDENCE? 649. For a slick public relations man, McCrary left quite a few tracks and one of the most interesting ones is a deposition he gave on Aug. 6, 1967 in the libel suit McLaney filed against national publications who identified him with the mob in his Bahamas adventure.	This paragraph does not pertain to INTERTEL or any affiliated company.
650. A portion of the interrogation went like this: 651. Q. Your present occupation, sir? 652. A. Television producer. 653. Q. By whom are you employed? 654. A. Self. 655. Q. I have a company through which I work, which is Intertel. 656. I-N-T-E-R-T-E-L.	It has been learned that Tex McCrary does in fact do business by the name Intertel, Limited. That company and its principal or principals are not in any way connected with International Intelligence, Inc. (INTERTEL), as the Las Vegas SUN was advised before publication of this excerpt of testimony. The passage is intended to imply and to lead the reader to infer that Tex McCrary is and has been since 1967 or before, associated with International Intelligence, Inc., and that all the allegations in the previous paragraphs and chapters of the Witwer saga relative to Mr. McCrary pertain to International Intelligence, Inc. That charge is denied in every respect, and it is noted that International Intelligence, Inc. did not exist prior to 1970 and neither was there any predecessor company which existed prior to 1970.

ANALYSIS OF EACH & EVERY ALLEGATION

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LAS VEGAS SUN	THE TRUTH
657. At that time Robert Peloquin was chief of the Justice Department strike force against crime and it wasn't until three years later that he emerged as president of Intertel, which is owned almost wholly by Resorts International.	This paragraph is intended to imply and to lead the reader to infer that Mr. Peloquin betrayed the trust placed in him as Chief of the Justice Department strike force, and that subsequently he "emerged as president of INTERTEL," previously headed by Mr. McCrary. The charge is denied in every respect. Mr. Peloquin did not "emerge" as president of INTERTEL. He has been president of INTERTEL since INTERTEL's inception. INTERTEL and Intertel, Ltd. are not and never have been associated in any way whatever. At the time the name INTERTEL was selected as a shortened name for International Intelligence, Inc., there was no awareness of anyone involved in the selection, of the existence of Intertel, Ltd.
658. It may be that the only similarity between McCrary's Intertel and the company headed by Peloquin is the name as Peloquin now claims, but this is another of those strange coincidences that crop up in this amazing story. 659. If they are not the same, the million to one shot paid off.	The coincidence to which Mr. Witwer would assign such fantastic odds is factual. He will no doubt be astounded to learn there is also a company in Canada which also uses the name Intertel, and which also is in no way related to International Intelligence, Inc. (although International Intelligence, Inc. has made plans to open an office in Toronto very soon.)

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LAS VEGAS SUN	THE TRUTH
660. McCrary's Intertel was located at 375 Park Ave., New York City.	International Intelligence, Inc. (INTERTEL) has been advised by a representative of the office of Intertel, Ltd. that neither that company nor Tex McCrary has ever in the past occupied space at 375 Park Avenue, New York City, and that presently that company occupies office space at 161 E. 61st Street, New York City. A simple telephone call by Mr. Witwer in his zeal to learn the truth could have determined the same.
661. As was the headquarters of Mary Carter Paint Co. which later became Resorts International and the office of Bill Safire.	Mary Carter Paint Company, and later Resorts International, did occupy space at 375 Park Avenue, New York City, the same space now occupied by International Intelligence, Inc. (INTERTEL). A close relationship between INTERTEL and Resorts International is acknowledged.
662. The deposition has become a collector's item because a request for copies made to the county clerk in Miami will bring the reply that it is missing from the files.	This paragraph is intended to imply and to lead the reader to infer that the cited deposition was embarrassing to INTERTEL and that INTERTEL personnel were involved in removing it from the files of the Dade County Clerk's Office. The charge is denied in every respect.

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CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
663. Other interesting revelations in the McCrary deposition include his assertion he convinced Wallace Turner of the New York Times that the role McLaney played in island gambling and politics didn't belong in his expose of the Bahamas.	These paragraphs do not pertain to INTERTEL or any affiliated company.
664. He also claimed he had severed all connections with Grand Bahama Development Co., in 1963.	
665. Tex, the master of opinion manipulation, wrote a very revealing letter to Maher on April 3, 1964 that doesn't jibe with his sworn deposition in some important respects. (See copy of letter on Page 1.)	
666. In the operation indoctrination memo of 1961, in which he told Lou Chesler the Canadian promoter why his services were needed to grease the way for gambling in the Bahamas, Tex revealed his major task would be to hide the fact that Wallace Groves was an ex-con and that Chesler was involved in a company whose president, Max Schwebel was convicted of stock fraud.	

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LAS VEGAS SUN	THE TRUTH
667. MORE TO TELL Just as Tex never told all he knew about Groves and Chesler, Peloquin and Intertel haven't told all about Paradise Island gaming and professional football.	Mr. Witwer's attempted syllogism, based upon erroneous premises, is a non sequitur.
668. Especially not to senators who are being given the pitch that New Jersey should be opened to gambling and Intertel hired to keep things clean.	This paragraph is intended to imply and to lead the reader to infer that officers of INTERTEL and Resorts International who testified before the New Jersey legislative committee were not candid and made a "pitch" for legalized gambling and for retaining INTERTEL. The charge is denied in every respect.
669. The truth is that racket control of Bahamas gambling, whether in Nassau or Freeport, is like the architecture of the lavish resorts. It was designed that way.	This paragraph goes beyond implication and inference. It states that gambling in Nassau, where only Resorts International has a gambling exemption, is racket controlled and was set up by Resorts International and its predecessor and affiliated companies, including INTERTEL, to be racket controlled. The charge is denied in every respect.

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LAS VEGAS SUN	THE TRUTH
670. This is the story Intertel should tell.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL personnel have not been candid in their discussions of Resorts International. The charge is denied in every respect.

HEADLINES & CAPTIONS

March 31, 1971

FF. "INTERTEL DOESN'T TELL"

GG. "JERSEY GETS LEGALIZED GAMING DOUBLE TALK"

II. "JERSEY'S GETTING THE DOUBLE TALK"

JJ. "MORE TO TELL"

These headlines are intended to imply and to lead the reader to infer that the officers of INTERTEL and Resorts International who testified before the legislative committee in New Jersey practiced deceit in their testimony, urging a position contrary to their own knowledge and understanding. The charge is denied in every respect.

HH. "COUNTER-SPYING"

This headline is intended to imply and to lead the reader to infer that INTERTEL is engaged in "counter-spying" activities for organized crime. The charge is denied in every respect.

HEADLINES & CAPTIONS

March 31, 1971

KK. STRANGE COINCIDENCE — Tex McCrary, under oath, stated he worked for Intertel two years before Robert Péloquin formed Intertel in July, 1970 with 2 million of Resorts International money. The deposition was taken during the $10 million libel action against the Saturday Evening Post filed by Mike McLaney.

This caption is intended to imply and to lead the reader to infer that Tex McCrary is and since 1967 or before has been, employed by and associated with International Intelligence, Inc. (INTERTEL). The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
671. There's real trouble in Paradise. 672. On my last trip to Nassau a month ago. I found many clues that the time may be ripe to dust off the McCrary Blueprint for overthrowal of governments. 673. None of his rosy promises have panned out. The natives are not only restless, they are frenzied. 674. They have not shared in whatever prosperity legalized gambling has brought to the Bahamas. The living conditions "over the hill" from Bay Street are still hideous, dark and frightening. There aren't any fine new roads, just the old one with deeper ruts. I talked to some of the wonderful blacks I used to spend time with in Rawson Square — taxi drivers, out-islanders hawking their wares, produce and conch shells on the wharf. For them it is still a daily battle to survive. 675. The islands have changed. Drink prices are astronomical and they are served with surliness by the disenchanted natives. You can't drink the water and the streets are filthy.	These paragraphs require no comment.

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676. But it's paradise for the crime syndicate men who moved in from Havana. They live in the luxurious spas while building up ill-will for the United States. Following the mob's usual "scorched earth" policy, the operators have turned what once was a kind of Heaven on earth into a playground for syndicate men with money to burn.	These paragraphs do not pertain to INTERTEL or any affiliated company.
677. A new general election will be held in the Bahamas this year after Easter. Premier Lynden O. Pindling appears to be in trouble.	
678. One of the most important political development is the defection of his one-time close friend and advisor, Cecil Wallace-Whitfield.	
679. My first meetin. with him was a "summit" political conference in Miami in September, 1966, in suite 919 of the Du Pont office building in Miami.	
680. David Probinsky arranged the meeting, in the absence of Pindling who was in Montreal. The story is he was conferring with the Volpe brothers who controlled the Canadian branch of the Syndicate.	

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681. Probinsky brought up the name of Mike McLaney as a possible source of funds for the Pindling campaign and at this, I passed around the McCrary memo linking Mike with the mob.	These paragraphs do not pertain to INTERTEL or any affiliated company.
682. It goes without saying I was then unaware of the McCrary-McLaney tie with Pindling. But it was on the strength of this memo that I rejected Probinsky's many requests I meet with McLaney.	
683. Recall also that these men, who were so devoted to Pindling, had been barely able to pay the $27.50 round trip fare to Miami from Naussau. All of them became cabinet ministers or close advisors, with millions to deal with in a public treasury fattened by casino taxes.	

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IT GOODIE TIME 684. Pindling, whose announced goal during the campaign was to uplift the black natives of the island, immediately hiked the taxes on gambling. He also revised the Hawksbill Greek agreement of 1955 which gave white, foreign developers almost sovereign powers over Freeport. The development of Freeport was guided by the Grand Bahama Port Authority, headed by Wallace Groves. Among other goodies handed out in this agreement was immunity from corporate and personal income taxes until 1990 and from import duties until 2054.	These paragraphs do not pertain to INTERTEL or any affiliated company.
685. Pindling claimed the power to issue work permits to foreigners in the Bahamas — an authority formerly exercised exclusively by the Port Authority.	
686. He used the power to restrict the influx of imported workmen to make more jobs available for the 85 per cent of the population which is black and poor.	

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687.	The island's economy is now in an undeniable slump, because of a slackening in tourism. Pindling is in political trouble. The greatest menace to his continuance as premier comes from inside.	This paragraph requires no comment.
688.	Wallace-Whitfield's defection from the Pindling inner circle actually began when the premier failed to make good on his promise to name him minister of finance and tourism and instead gave him the portfolio of education. Finance and tourism was the post in which Sir Stafford Sands vaulted to riches and power as legal counsel for Groves and those scheming to open the islands to gambling.	These paragraphs do not pertain to INTERTEL or any affiliated company.
689.	During my visit to Nassau last month, I found signs on every hand of Wallace-Whitfield's increasing popularity and Pindling's decline.	
690.	Wallace-Whitfield's ultimate break came when he was attacked by thugs at a political rally in 1970. He had been critical of the premier and laid the blame for the mauling at Pindling's door.	

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691. The defector's political stock is also bolstered by the unhappiness of the casino operators, not only because of the customer decline but because of the higher tax on the take.	Counsel for Resorts International advises that officials of that company openly and honestly believe the new tax structure is self-defeating in its legitimate effort to bolster the area's economy. If that view is correct, the new tax structure could possibly damage politically the administration which put it into effect.
692. I decided to call on Wallace-Whitfield, one of my accomplices in the Bahamas' political wars.	These paragraphs do not pertain to INTERTEL or any affiliated company.
693. He lived in very humble circumstances, on Soldier Road, in the impoverished section of Nassau known as "Over the Hill."	
694. As I pulled up in the cab, driven, incidentally by the same man who had taken me on my rounds when I was head of the news bureau for the Bahamas Ministry of Tourism, I could see that Wallace-Whitfield was moving.	

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695.	The driver, incidentally, is an accurate barometer of conditions in the islands and he was all smiles when I told him of my destination.	These paragraphs do not pertain to INTERTEL or any affiliated company.
696.	Wallace-Whitfield greeted me affably and asked me to make myself comfortable while he took care of some details. I talked briefly with his secretary, a very leggy girl from Australia.	
697.	We began our conversation by recalling the battles against the Bay Street Boys.	
698.	"Just what is the real situation here?" I asked.	
699.	1968 AGAIN? "Interesting," he said. "Not too unlike 1956."	
700.	"Does that mean you are going to challenge Pindling in the next general election?" I asked. "The Miami press seems to think so and so do others."	

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701. "It's a possibility . . . it depends . . . " he trailed off.	These paragraphs do not pertain to INTERTEL or any affiliated company.
702. "I understand our old friend Probinsky, has become very successful," I said, with a touch of sarcasm.	
703. "Friend," he snapped. "He's no friend of mine . . . or the black Bahamians, either. He's got his hooks into everything around."	
704. This confirmed reports I had heard that Pindling, had, indeed taken good care of his once bankrupt friend.	
705. When I apologized for calling while he was in the process of moving, Wallace-Whitfield airily mentioned he was relocating to a section of Nassau which I recognized as a great step forward.	
706. He also told me he was moving his law office to the best location in town.	

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707.	"Have you met Howard Hughes?" I asked, jokingly.	According to this alleged conversation, Mr. Peloquin introduced Chester Davis and Wallace-Whitfield to each other. While Mr. Peloquin does indeed know both of those individuals, he has never been in the presence of both at the same time, and has never introduced them. Neither does he have any knowledge of whether they know each other. He would not be at all unhappy to introduce them, however.
708.	Wallace-Whitfield replied with a witticism that could be taken either way.	
709.	"I have met Chester Davis," he said. "A very fine man . . . interested in our problems here."	
710.	"Oh? . . ."	
711.	"Yes, and I've also had some meetings with Bob Peloquin who brought him to me."	
712.	I ventured that I knew Peloquin, but I was certain that Wallace-Whitfield was aware of that.	
713.	"Peloquin and Chester Davis are sincerely interested in The Bahamas . . . Why, Bob even made me acquainted with his successor in the Justice Department," he emphasized.	
714.	An old hand at Bahama intrigue doesn't need an ouija board to figure out the present situation . . . he doesn't even need a Tex McCrary script on how to overthrow the government.	This paragraph does not pertain to INTERTEL or any affiliated company.

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715. I remembered there was an Intertel in the picture — working out of the same New York address as the Mary Carter Paint Co., when Tex McCrary changed the political, social and economic course of the Bahamas.	This paragraph is intended to imply and to lead the reader to infer once again that Tex McCrary and Intertel, Ltd. are and were in 1967 related to Resorts International and its predecessor company, and to International Intelligence, Inc., and was associated with them in political activities in the Bahamas. The charges are denied in every respect. Tex McCrary's Intertel, Ltd. never was located in the same building as Mary Carter Paint Company. That part of the "coincidence" is Mr. Witwer's own invention.
716. The course he charted started the Islands on an irreversible slide into political and social corruption, economic chaos and the welcome mat was spread for mainland mobsters.	This paragraph does not pertain to INTERTEL or any affiliated company.
JERSEY TARGET 717. And Intertel, owned by Resorts International, the corporate offspring of Mary Carter, is now the prime proponent in the attempt to introduce the same corruptive forces into New Jersey, a state which already is burdened immeasurably from the past.	This paragraph goes beyond implication and states that INTERTEL is not only involved but is the "prime proponent" in a move to insinuate organized crime elements into the fiber of the State of New Jersey. The charge is denied in every respect.

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718. It is doubtful whether she can pack the extra weight, nor can any state, nor any nation, afford a second, secret government to challenge the purposes and goals of our constitutional institutions.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL is involved in an effort to superimpose a "second, secret government" upon the State of New Jersey and that that second government represents organized crime. The charge is denied in every respect.
719. Tomorrow: Publisher Hank Greenspun will reveal the plans for an international gambling cartel.	This tag line is intended to imply and to lead the reader to infer that INTERTEL has participated in "plans for an international gambling cartel." The charge is denied in every respect.

HEADLINES & CAPTIONS

April 1, 1971

LL. "NO ROOM FOR SECRET GOVERNMENTS"

This headline is intended to imply and to lead the reader to infer that INTERTEL constitutes and seeks to constitute a "secret government," aligned with organized crime. The charge is denied in every respect.

MM. "NATIVES SUFFER AS MOB GETS RICHER"

NN. "ONLY MOBSTERS PROFIT"

These headlines are intended to imply and to lead the reader to infer that INTERTEL and Resorts International are aligned with organized crime and are becoming wealthy at the expense of the Natives of Paradise Island. The charge is denied in every respect.

HEADLINES & CAPTIONS

April 1, 1971

CHAIRMAN OF THE BOARD — There's a new method these days when the syndicate decides to move in. It's all done through interlocking corporations and fresh scrubbed respectability, but it's the same old story of take-over and control with Meyer Lansky forces moving into the Bahamas, Havana, West Indies and Nevada. Is New Jersey next?

00.

This caption is intended to imply and to lead the reader to infer that Meyer Lansky is aligned with Resorts International and its "interlocking corporations" with "fresh scrubbed respectability." The charge is denied in every respect.

[redacted]

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720. The investigation and expose published by the SUN has ended—for the moment.	This statement requires no comment.
721. But the war against those who seek to prosper on the weaknesses of man will never end. There was a time when the underworld attained its ends by violence and pay-off. Then, seeking respectability, organized crime looked for legitimate fronts, but the take never really stopped.	The avowed subjects of this "expose" were INTERTEL and Resorts International. This paragraph is intended to imply and to lead the reader to infer that those companies "seek to prosper on the weakness of man," and are "legitimate fronts" for organized crime, and that the personnel of those two companies are on the "take" with organized crime. The charges are denied in every respect.
722. Now it has reached a new cycle with new strategies and tactics. Slick public relations, respectable front men; new secret, private policing is the pattern. The goal: an extension of legalized gambling throughout the Western world, and these forces appear to be making their point.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International are involved in a "new cycle" of organized crime effort, using "slick public relations, respectable front men; new secret, private policing" methods; and that the goal of INTERTEL, Resorts International and their alleged organized crime associates is to extend "legalized gambling throughout the Western world." The charges are denied in every respect.

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723. I believe we are on the brink of the most ambitious and cleverest ploy of all: the creation of an International Gaming Cartel with its own intelligence service. That service will not be in the public interest. It will serve the same old forces, however cunningly they change corporate names, or develop new methods of funneling funds to illegal uses.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International are participants in "the most ambitious and cleverest (sic) ploy (of organized crime) of all;" and that the ploy is the creation of "an International Gaming Cartel with its own intelligence service;" and that INTERTEL is that "intelligence service," which is against the public interest because it serves racketeers and is designed to divert gaming profits to "illegal uses." The charges are denied in every respect.
INTERTEL NO. 1 PICK 724. The SUN's series has revealed the complex pattern and what has emerged from this very complicated puzzle is that Intertel has become the chosen instrument for the International Gambling Cartel.	This series has equated legalized gambling with organized crime, and what it called an "International Gaming Cartel" with organized crime. The clear meaning of this statement is that INTERTEL "has become the chosen instrument" for organized crime to create an International Gaming Cartel." The charges are denied in every respect.

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725. It has a good start. Staffed by the very people who were in the law enforcement agencies designed to combat organized crime and using the knowledge and prestige gained in these agencies, Intertel now represents the other side. Financed by a corporation which is rooted in the suspect history of gambling in the Caribbean, Intertel now operates a network of security for gambling operations in such widely separated locations as the Bahamas, Netherlands, West Indies and Nevada.	There can be no interpretation of this paragraph other than that INTERTEL "now represents" organized crime. The paragraph is also intended to imply and to lead the reader to infer that Resorts International is a corrupt organization, and that the activities of those two corporations in operating "a network of security for gambling operations in...widely separated locations," are serving the purposes of organized crime. The charge is denied in every respect.
726. Intertel executives have testified before the New Jersey Legislature in behalf of legalized gambling. We have examined that testimony, laundered as it was to serve their own purposes. They will certainly be on hand when states like New York, Florida, Hawaii and possibly California are hypnotized by the promises of fiscal Utopia.	If in fact any representative of the Las Vegas SUN read the transcript of testimony before the New Jersey legislative committee, he knows only one INTERTEL executive testified. He knows that the descriptions and characterizations of that testimony in this series were deliberately inaccurate. He knows that while the testimony of Mr. Kolar of INTERTEL and Mr. Davis of Resorts International could easily have been printed in full in the series, it was not, and he knows the reason it was not: it would have destroyed the SUN's central theme that the two companies are dominated by and testified in behalf of organized crime. The author's concern over INTERTEL's preoccupation with legalized gambling is misplaced. Most of INTERTEL's clients have nothing to do with gambling whatever.

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727. The International Crime Syndicate has long had the biggest cash flow of any of the world's business. It does not give up easily, as we in Nevada know from long experience.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International, the subjects of this "expose," are part of an "International Crime Syndicate." The charge is denied in every respect.
MONEY TALKS 728. If Intertel's ambitions are realized, they will be supervising that cash flow. They are willing to take risks, promise anything for that prize.	This paragraph states that INTERTEL is dedicated to controlling the cash flow of the same said "International Crime Syndicate," and that INTERTEL will "promise anything for that prize." The charge is denied in every respect. It is noted that at no point in the series does the Las Vegas SUN correctly point out any promise ever made by INTERTEL.
729. But, an organization like Intertel can so cover its tracks that none of its activities or interests can be learned unless it is willing to make them public.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL has taken measures to hide its activities and interests -- presumably by testifying at public hearings of legislative committees. The charge is denied in every respect.

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730. Intelligence is power. It can be used for good or evil. Intertel executives have had, and presumably continue to have access to the files of many law enforcement agencies here and abroad. Its agents have worked for the FBI, the IRS, the Royal Canadian Mounted Police, Interpol and even the Clark County Sheriff's office.	The SUN's evaluation of intelligence is surprising.. It is clear that this entire malicious attack on two reputable and highly motivated companies was made without resort to any intelligence whatever. The author's presumption of continued access to non-public information is presumptuous and incorrect. None of INTERTEL's personnel ever worked for Interpol; there are other agencies which might have been included in the list, however, which were not. INTERTEL has no "agents."
731. But where do their loyalties lie now?	The loyalties of the personnel of INTERTEL have not changed in any way. They have been devoted to and leaders of the law enforcement effort against organized crime all their professional lives; they remain devoted to the effort against organized crime and continue as leaders in the battle. The rhetorical question is intended to imply and to lead the reader to infer the contrary, that their loyalties are to organized crime. Since only organized crime can benefit by this malicious and patently groundless attack on a

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legitimate company uniquely qualified and successful in combating organized crime in the private sector, the claim by the author that he is an opponent of organized crime appears illegitimate. The charges are denied in every respect.

732. Turnabout may not be fair play. Many of Intertel's clients are the same people who were the subjects of their investigation while law enforcement agents.

One client of INTERTEL -- its major stockholder, Resorts International -- and only one, was a subject of an investigation directed by Mr. Peloquin. The results of that investigation redound to the credit of that company, which was the subject of an investigation gratuitously, based upon its decision to enter a sensitive business field -- legalized gambling in the Bahamas. No other client of INTERTEL has ever been the subject of any investigation participated in by any other INTERTEL personnel. No member of INTERTEL has any knowledge of any investigation by his former agency of any one of INTERTEL's clients.

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733. All of this has special significance for Nevada. Interposed between enforcement and gambling activities is a secret, private police force. This can mean that the gaming control policies of this state will no longer be determined by its people, by its officials, but by a shadowy agency responsible only to those who hire its service and finance its operation.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL is a "secret, private police force," a "shadowy agency" able and determined to interpose itself "between law enforcement and gambling" to the benefit of those who hired it, with the implication that INTERTEL was hired by organized crime. The charge is denied in every respect.
734. These will be elements of the International Gaming Cartel.	This statement is intended to imply and to lead the reader to infer that INTERTEL and Resorts International are building "elements" of a planned "International Gaming Cartel" which will be controlled by organized crime. The charge is denied in every respect.
735. Beyond Nevada, if legal gambling goes nationwide, there will be no practical limit to their power and the poverty and misery it can cause.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International are seeking, and with apparent potential to achieve, limitless power, which will create limitless poverty and misery. The charge is denied in every respect.

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736. Nevadans who have watched the rise of legal gambling from dingy, one-room stores to the plush corporate offices, are well qualified to comment on its strengths and weaknesses.	These statements do not pertain to INTERTEL or any affiliated company.
737. If they are honest, they know there are far more weaknesses than strengths.	
738. Legal gambling in Nevada is conducted in a goldfish bowl. The sinister elements find few places to hide in a state which has only two major population centers. Blackjack is dealt under a microscope and dice are reflected in a mirror. Every effort is made to protect the player, the house and the state.	
739. There's only one major highway leading to Las Vegas and a single airport. It's relatively simple to watch the front door and the back door simultaneously.	
740. Helpful too, is the Sheriff's Department which is watchful, cautious and aware — which isn't owned by the mob, or beholden to the bully boys.	
WE DON'T WANT THEM	
741. Hoodlums who own the largest estates in New Jersey and frequent the homes of the respectable in Detroit, Cleveland, Miami and Chicago, are not welcome here. Operators of casinos here would jeopardize their licenses if they make them welcome.	
742. With all of this it has been a long and continuing struggle to keep organized crime out.	

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743. What is going to happen in New Jersey, which has been fed a slick propaganda and public relations bill of goods?	This rhetorical question is intended to imply and to lead the reader to infer that INTERTEL and Resorts International "fed a slick propaganda and public relations bill of goods," and that all which has been listed in the previous paragraphs regarding what Nevada has done to combat organized crime is contrary to INTERTEL and Resorts International's point of view and interest. The charge is denied in every respect. INTERTEL and Resorts International testified honestly and based upon their expertise before the New Jersey legislative committee. The SUN has assured the reader it has "examined that testimony," yet not one single reference to it beyond identifying the officers who testified has been correct. The entire thesis of this vicious, malicious and libelous attack on INTERTEL and Resorts International has rested on that testimony. Yet, the SUN and Mr. Witwer give every indication of not having read it. The SUN and Mr. Witwer did not give the reader the opportunity of reading it. While printing such remote materials as a form letter of thanks from the Director of the Federal

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	Bureau of Investigation, [redacted] b3 [redacted] and noting at length Mr. Witwer's father of letters to attest to Mr. Witwer's credentials, the Las Vegas SUN has seen fit to deny INTERTEL Vice President William Kolar's request that his testimony be published in full. Incidentally, that request caused a response requesting a copy of that testimony! The Las Vegas SUN, in honoring its theme that "The People Have a Right to Know" has deliberately misstated, misconstrued, and misquoted. It has brandished false and malicious implications and innuendos. It has drawn incredible conclusions from innocent facts. It has deliberately repeated its innuendos and implications in the hope of obscuring the fact of their patent lack of foundation. But it has not published the testimony; it very well may not have read the testimony. Nor did it publish the remarks to Mr. Davis by one of the Senate Committee members to the effect the testimony was excellent, showing "your professional background,"

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helping the Committee "in understanding what experiences are in other areas of the world where they have gaming operations." The testimony and the plaudits for it were not published for the simple and obvious reason that it demonstrates the vacuity of the series and the malice of the perpetrators of this attack on INTERTEL and Resorts International, and also on the entire legislature of the State of New Jersey, the gaming industry throughout the world, and the intelligence of the reader.

744. They have been told the state's pressing financial problems can be solved by legalized gambling!

Mr. I. G. Davis, Jr., of Resorts International, did testify to various potentials with respect to income from legalized gaming. Mr. Kolar did not. This paragraph is intended to imply and to lead the reader to infer that those two participated in a program of deceiving the people of the State of New Jersey with false facts and false testimony. The charge is denied in every respect.

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745. They have been assured that they will be protected from gangland infiltration!	Mr. Kolar and Mr. Davis did not assure anyone at any time that "they will be protected from gangland infiltration." They possess the sophistication the author lacks to recognize the absurdity of any such assurance. They testified that it was possible to run a casino without influence of organized crime, and they demonstrated their point by a detailed discussion of the casino at Paradise Island, which is free of influence by organized crime, and which is largely responsible for the credentials which enable INTERTEL to obtain its clients in the area of casino gambling to the relentless offense of the Las Vegas SUN.
746. We know different.	The extent of the SUN and Mr. Witwer's knowledge about legalized gambling and organized crime, and implications attendant thereto are demonstrated by the series in which they take such apparent pride.

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747. Only if New Jersey is willing to pay the major share of gaming receipts for an elaborate law enforcement and security system can they hope to keep it clean. 748. That state has been the heartland of hoodlumism for years. The decent people of New Jersey have watched the Syndicate write the script for corruption. Legalized gambling, far from rooting them out, will give them the key to the safe and protect them even more securely. 749. The book on corrupting public officials was written on the shores of New Jersey by the grandfathers of the "godfathers." 750. Legal gambling in the major cities would also overburden the economy in another way. 751. Nevada's gaming is conducted primarily in a resort atmosphere and most of its patrons are transient, attracted by the climate, the luxury hotels, the big-name entertainment and an established reputation as a vacation spa. VISITORS BIG BUSINESS 752. There are local residents who gamble, of course, but the bulk of the Las Vegas play comes from vacationers and conventioneers. 753. Contrast that with the situation in, say, Bayonne, N.J., or even in the one-time resort areas which have grown increasingly industrialized as the quality of the Jersey land, air and water deteriorates. 754. Casino operators would look to the wage earner and would compete for his paycheck with the food markets and clothing stores, the mortgage companies and the landlords. 755. This would be true even if the state operated the gaming, which has been suggested as a possible deterrent to gangland infiltration. State governments are created to further the general welfare, not operate gambling schemes, which could be detrimental to the governed. A policy of public-ownership of gaming casinos could destroy the moral fiber of the nation.	This attack on the entire State of New Jersey does not pertain to INTERTEL or any affiliated company. The author has transferred his venom to the supposed brainless child he has been seeking to protect -- the populace of the State of New Jersey.

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756. When Robert Morgenthau, then U. S. attorney for the Southern District of New York, was shown documentation of mob infiltration of Bahamas casinos, he declared: 757. "Well, when you legalize gambling, this is what happens."	This alleged statement, of which INTERTEL personnel have no knowledge, is inserted to imply and to lead the reader to infer that Robert Morgenthau adopts the theme of the series that INTERTEL and Resorts International and all others involved in casino gambling are "mob" infiltrated. The charge is denied in every respect.
758. His views have since been echoed by John J. Irwin, chief of the criminal division of the Massachusetts attorney general's office. 759. "History shows that wherever gambling exists — Greece, the Bahamas, Nevada —it attracts organized crime," Irwin declared. "Organized crime will be found wherever big money exists, and gambling is big money."	INTERTEL personnel have no knowledge of this statement. Its insertion is intended to imply and to lead the reader to infer that another expert on organized crime has concluded that the casino at Paradise Island is infiltrated by organized crime. The charge is denied in every respect.

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760. Contrary to the siren song of politicians now being sung in New Jersey, Massachusetts, New Hampshire, Pensylvania, Maryland, Delaware, Colorado and Wyoming — all states in which bills have been introduced to legalize various forms of gambling, from off-track betting to casinos to beano—legalization of gambling does not automatically insure fat public treasuries.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International have been engaged in propaganda programs to legalize gambling in all those states named, and that the participation has been one of actively persuading people that legalized gambling will "automatically insure fat public treasuries." The charge is denied in every respect.
761. It doesn't even guarantee that sales taxes, income taxes and many other levies won't be needed to support all levels of government. 762. Nevada, where gambling has been legal for 40 years was forced 16 years ago to adopt a sales tax. NEIGHBOR WATCHING 763. New York, which recently legalized off-track betting shops is standing by to see what New Jersey does.	These paragraphs do not pertain to INTERTEL or any affiliated company.

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764. In their eagerness to get the betting shops into action, officials of New York City have borrowed $2.8 million from the city's welfare agency to renovate the wagering parlors. They find justification for this strange strategy in the statement the renovation work will be done by construction firms employing minority workmen.	These paragraphs do not pertain to INTERTEL, or any affiliated company.
765. The crime syndicate is standing by waiting for its agents to infiltrate the betting parlors. Many of the bets will be "past-posted," meaning that the agents will know who the winner is when the bets are placed.	
766. New York officials will soon learn that the syndicate is not about to lose its grip on its present domain and New York will suffer.	

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767. Ironically, many of the customers of the betting parlors will be wagering with Social Security funds, unemployment and "war on poverty" checks, and welfare grants from the same agency which advanced the money to launch the off-track betting venture.	These paragraphs do not pertain to INTERTEL or any affiliated company.
768. This is the history of legal gambling as we in Nevada can attest to.	
769. Last year Nevada sales tax receipts outstripped state revenues from gambling by more than $4 million.	
770. But city and county governments and the schools, all taxed by continued population increases and demands for more and more services, are demanding more relief every day from the state, so there's no telling what is in store in the way of new levies in the immediate future.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN

771. It is fraudulent for New Jersey hotel interests to tell their state lawmakers that five casinos in Atlantic City will produce four times as much revenue — $200 million — as 50 major casinos, 150 minor casinos and about 35,000 slot machines which operate in Nevada on a 24-hour a day basis.

THE TRUTH

Mr. Witwer noted that Resorts International had hotel interests in the State of New Jersey at the time of Mr. Davis' testimony before the legislative committee. He misstated the number of hotels, and ignored the fact they were in an area which competes for summer tourism with Atlantic City, which is the only location in which the proposed casinos could be operated. Mr. Witwer stated by clear implication that Mr. Davis hid those hotel interests from the legislators. Mr. Davis stated in his testimony, as evident in the transcript thereof, precisely what Resorts International's interests were. Mr. Davis' testimony included projections based upon population concentrations. He explained very clearly the basis of the projections, as indicated in the transcript of his testimony. In a manner characteristic of this 13-day series, the author without apology to the reader concludes that Mr. Davis' testimony was "fraudulent." The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
NO EDUCATION AID 772. Nor have the rich promises of harvests of money from lotteries in New Hampshire or New York helped the schools for which the money is earmarked. The average has been about $6 per pupil per year in New Hampshire and about $7 per pupil per year in New York, about one-tenth of state support per pupil in Nevada.	These paragraphs do not pertain to INTERTEL or any affiliated company.
773. New Hampshire, for all the promises of the lottery, continues to rank 50th among the 50 states in state aid to education.	
774. At stake for Intertel in New Jersey, where officials of the firm declared that legal gambling can become a community asset amid guaranitees they could prevent hoodlum invasion, are additional security contracts.	This paragraph is intended to imply and to lead the reader to infer that Mr. Kolar's testimony before the New Jersey legislative committee was based upon selfish interest and was contrary to the interest of the people and the State of New Jersey. The charge is denied in every respect.

LAS VEGAS SUN

775. In addition, Resorts International, which holds a controlling interest in Intertel, it later was revealed, had taken options to purchase three old-line resorts in the declining vacation area of New Jersey.

THE TRUTH

This paragraph states that Resorts International hid its interests in New Jersey in appearing before the legislative committee. As previously noted, it was not "later revealed." It was testified to by Mr. Davis at the hearing, which was public and was transcribed. Incidentally, with respect to Mr. Witwer's excellence as an investigative reporter and the SUN's assurances to INTERTEL and the reader of the care with which all his details were checked out, it is interesting to note that while the author suggests an awareness of the "declining vacation area of New Jersey" in which the leased hotels are located, he inaccurately counted the number of hotels. The simple explanation is that they failed to determine in their meticulous research that The Essex and Sussex is one hotel.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
776.	Upon close analysis, assertions made by officers of Resorts International and its subsidiary, Intertel, painting a glowing picture for New Jersey legal gambling simply won't stand up.	The SUN's claim of close analysis is belied by its and Mr. Witwer's assertions about what was and was not said in the testimony. The statement that close analysis will reveal the unsoundness of the testimony is belied by the SUN's failure to print the testimony, thus permitting the reader to make a close analysis for himself. It is the SUN, not INTERTEL and Resorts International personnel, who fears the close analysis, and has reason to.
777.	William Kolar, Intertel vice president, insists their appearance wasn't "volunteered" but was by the invitation of a New Jersey senator who had visited Paradise Island where Intertel is in charge of security.	This statement is correct.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
778. But that doesn't obscure the fact that the intercession of Resorts International and Intertel, headed by Robert Peloquin, former chief U.S. racket buster, was against the best interests of a decent society.	The SUN's credentials to determine for society what is in its "best interests" are seriously blighted by this series. The contrived series, which the author identified as "the most important expose ever published by the Las Vegas SUN," seeks to destroy the commodity most important to INTERTEL -- its reputation and the reputations of its personnel. If the author's effort is successful, organized crime will not have to contend with any company with INTERTEL's qualifications to hinder its infiltration of legitimate business. His outrageous claim in these paragraphs that INTERTEL acts "against the best interests of a decent society" in the face of his own patent effort to aid the cause of organized crime bespeaks not only his malice but of hypocracy. The charge is denied in every respect.
779. For all that Intertel has a self-asserted reputation for efficiency in detecting and eradicating hoodlum influence, the cold light of fact demolishes such status.	
780. Thus the statements of Intertel and RI officials were self-serving on two counts.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
781. Further reservations about Intertel and Resorts International must be roused by the fact that confidential files put together while Intertel officials held sensitive posts in various government investigative and crime-fighting agencies are now at the disposal of resort operators who employed a known-hoodlum associate — Eddie Cellini — to manage their casino on Paradise Island for almost two years after it opened.	This statement is intended to imply and to lead the reader to infer that INTERTEL personnel betrayed their trust first by copying or otherwise removing files from "various government investigative and crime-fighting agencies" and secondly by putting them "at the disposal" of Resorts International. The charge is denied in every respect. It is also denied that Eddie Cellini is a hoodlum.
782. James Crosby, president of Resorts International, once said: 783. "I don't want it on my headstone I went to bed with the Mafia." 784. We don't see how he can avoid that epitaph.	INTERTEL personnel know of no conscientious investigative reporter who has made any study of Mr. Crosby and his businesses who is of the opinion he is affiliated in any way with "the mafia." This passage is intended to imply and to lead the reader to infer that he is. The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
785. The Miami Herald recently quoted Crosby as saying he replaced Eddie Cellini with regret when he learned Cellini was not acceptable to the Bahamian government after almost two years in the Paradise Island casino. Crosby later announced that Eddie Cellini was being put in charge of Resorts International operations in Miami.	Mr. Crosby never at any time stated to anyone that Eddie Cellini "was being put in charge of Resorts International operations ... in Miami." Eddie Cellini never was so employed. The statement to the contrary is denied.
786. Clark County Sheriff's Office records show he is still working there.	Counsel for Resorts International advises that Eddie Cellini does not work for Resorts International or any affiliate in Miami or anywhere else.
'UNTIL DEATH DO...' 787. It is possible that Resorts International cannot get rid of Cellini. Once you marry into the Lansky circle you are wedded for life.	This statement is intended to imply and to lead the reader to infer that through Eddie Cellini and others, Resorts International is "marr(ied) into the Lansky circle," and is "marr(ied) for life." Meyer Lansky has no association with Resorts International through Eddie Cellini or anyone else. He has no influence or control over Resorts International through Eddie Cellini or anyone else. The charge to the contrary is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
788.	Bob Peloquin of Intertel served on a committee in charge of security supervising the casino operation under Cellini's tenure.	This statement is correct.
789.	He identifies the cause of Cellini's woes as "guilt by relative," but the fact remains that Cellini, and his even better-known brother, Dino, have been identified in every authoritative report on organized crime — public or private — as trusted lieutenants of Meyer Lansky.	INTERTEL personnel are not aware of, and Messrs. Witwer and Greenspun do not cite, a single "authoritative report on organized crime -- public or private -- which identifies Eddie Cellini as a "trusted lieutenant (...) of Meyer Lansky."

LAS VEGAS SUN	THE TRUTH
790. That was the role the Cellinis played in Cuba, and in the Bahamas, and illegal gambling enterprises Lansky confrolled on the U.S. mainland.	Counsel for Resorts International denies the charge that Eddie Cellini represented Meyer Lansky while in the employ of Resorts International. Dino Cellini was never associated with Resorts International or any affiliated company.
791. The Cellinis, according to information obtained from police intelligence in the Bahamas and Florida, are still connected with Resorts International in the capacity of junket organizers and "collectors."	Counsel for Resorts International advises that Dino Cellini has never been employed or associated with Resorts International "in the capacity of junket organizer (...) and collector (...)," or in any other capacity. Eddie Cellini has never been employed or associated with Resorts International "in the capacity of junket organizer." The only debts he was ever authorized to collect for Resorts International were those incurred while he was the manager of the casino at Paradise Island, in which debts he had a vested interest under the terms of his contract as casino manager, at the time of his dismissal. The literary style of Mr. Greenspun is intended to refer back to Mr. Witwer's discussion of strong-arm tactics he

LAS VEGAS SUN	THE TRUTH
	indicated were used to collect debts for casinos, and is intended to imply and to lead the reader to infer that Eddie Cellini used strong-arm tactics to collect debts owing to Resorts International. The charge is denied in every respect.
792. However cloaked and how cleverly concealed by the guardians, gambling in the Bahamas is controlled by Meyer Lansky and it has been established in police intelligence reports that his fee is 15 per cent of the gross income.	This paragraph states that gambling in the Bahamas in the terms of the "expose" at Paradise Island "is controlled by Meyer Lansky." It further states that Meyer Lansky receives "15 per cent of the gross income" of the casino. Those charges are denied in every respect.
793. And anyone who says differently is willfully and purposefully attempting to confuse and mislead.	INTERTEL personnel have said "differently," and still do. The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
794. What price Intertel then, when the reports occur and reoccur that the Bahamas remain "a sunny place for shady characters" and the white beaches of the Out Islands are the only thing that approximates the driven snow?	This rhetorical question is intended to imply and to lead the reader to infer that for a "price" INTERTEL has joined with organized crime generally and Meyer Lansky specifically to maintain Paradise Island as "a sunny place for shady characters." The charge is denied in every respect.
795. If Intertel, Resorts International and Meyer Lansky are intent on forging an international gambling cartel from the West Indies to the Bahamas and New Jersey, we would appreciate if Nevada could be kept out.	This statement is intended to imply and to lead the reader to infer that INTERTEL and Resorts International are in league with Meyer Lansky to establish an "international gambling cartel." The charge is denied in every respect.
796. We know not how our gambling commission may feel but we have worked too hard and suffered too much to allow our state to become a tiny finger on the grasping hand of any cartel controlled by the crime syndicate.	This statement is intended to imply and to lead the reader to infer that INTERTEL and Resorts International participate or are seeking to participate in a "cartel controlled by the crime syndicate." The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
797. Nevada must remain fiercely independent of any outside entanglements and if the gaming commission has other ideas, immediate legislation must be passed to preclude such associations.	This paragraph does not pertain to INTERTEL or any affiliated company.
798. There's a real legal question involved here as well, in view of the Nevada gaming control regulation which prohibits those with foreign gaming interests from holding a license in this state. 799. The former Clark County district attorney, George Franklin, touched upon it when Chester Davis arrived, accompanied by officers of Resorts International, to take over control of the Hughes Nevada property. 800. Franklin told Davis to get I. G. Davis and James Crosby "out of here if you do not want to imperil Hughes' Nevada license."	This passage is intended to imply and to lead the reader to infer that INTERTEL's employment as consultants to Hughes Tool Company is illegal under Nevada gaming control regulations. Mr. Greenspun may rest assured that the "real legal question" has been studied carefully by disinterested and qualified parties, and his concern is misplaced. INTERTEL does not commit any such violation.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
801.	Legal doubts are now bolstered by Peloquin's willing and voluntary association of two years' duration with an identified Lansky lieutenant in the Paradise Island casino.	This paragraph is intended to impugn the integrity and moral character of Mr. Peloquin by misstating the relationship between Eddie Cellini and Meyer Lansky. Mr. Peloquin's integrity and moral character are high. He is not, and has not at any time, been associated with Meyer Lansky in any way other than to investigate with an aim to prosecuting him for violation of federal law. Mr. Witwer and the SUN did not cite one authority who identified Eddie Cellini as a "Lansky lieutenant."

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

	LAS VEGAS SUN	THE TRUTH
802.	No one is more aware of the insidiousness of the problem of keeping gambling unsullied than we, because for more than 20 years we have fought unsavory elements — and the ever present corrupt officialdom which arises inevitably in their wake.	This self-aggrandizing passage does not in any way pertain to INTERTEL or any affiliated company.
803.	Our fight has been marked by some victory milestones along the way — changes in local and state administrations, legislation strengthening the state's control of gambling and more rigid enforcement of gaming laws — so we feel we have, in some measure, succeeded.	
804.	We have had our eyes glued to the back door, because that was the entry in the old days. The unsavory operated behind shadowy fronts, not to build resorts, but to control the casino bankrolls. Now they have adopted more sophisticated methods.	

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
805. The Bahamas adventure was launched through a maze of interlocking corporations, with spinoffs of landlord, realty and development firms. The corporation pyramid has now gone international with banks and holding companies added.	This paragraph is intended to imply and to lead the reader to infer that Resorts International and INTERTEL disguised and obscured their activities, interests, and associates in the Bahamas and that they did that for bad purposes. The charge is denied in every respect.
806. DEVILS IN DISGUISE After our long vigil at the rear entrance, it is not our intention to permit entry through the front door — wearing halos — of elements which could prove highly detrimental to the Nevada economy. We propose to make it as uncomfortable for them now as we have in the past.	This paragraph is intended to imply and to lead the reader to infer that Resorts International and INTERTEL are associated with organized crime and perform functions as legitimate fronts for organized crime. The charge is denied in every respect.

ANALYSIS OF EACH & EVERY ALLEGATION

CONCERNING INTERTEL

LAS VEGAS SUN	THE TRUTH
807. Nevada does not need secret police forces, gaming monopolists, capricious and willful operators, or corrupt influences on our executive and judicial systems.	This paragraph is intended to imply and to lead the reader to infer that INTERTEL and Resorts International constitute "secret police forces, gaming monopolists, capricious and willful operators," intent on exercising corrupt influence on Nevada public officials. The charge is denied in every respect.
808. We know not what course others may take, but our purpose is clear. 809. We'll fight to keep them out!	These paragraphs, concluding this series, purport to tell the reader where the SUN stands. They fail in that effort.

HEADLINES & CAPTIONS

April 2, 1971

PP. "SUN VOWS WAR ON SYNDICATE"

QQ. "WARNING TO HOODS: WE DON'T WANT YOU IN OUR STATE!"

RR. "INTERTEL NO. 1 PICK"

SS. "MONEY TALKS"

TT. "WE DON'T WANT THEM"

UU. "VISITORS BIG BUSINESS"

VV. "WE DON'T WANT SYNDICATE IN STATE OF NEVADA!"

These headlines are intended to imply and to lead the reader to infer that INTERTEL and Resorts International are part of the "Syndicate" of organized crime. The charge is denied in every respect.

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1573233-000

Total Deleted Page(s) = 4
Page 196 ~ b6; b7C; b7D;
Page 209 ~ b3; b6; b7C; b7E;
Page 210 ~ b3; b7E;
Page 211 ~ b3; b6; b7C; b7E;

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X Deleted Page(s) X
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X For this Page X
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DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-10-2024 BY [redacted]

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION

JUN 11 1973

TELETYPE

~~CONFIDENTIAL~~

~~URGENT~~

Mr. Felt
Mr. Baker
Mr. Callahan
Mr. Cleveland
Mr. Conrad
Mr. Gebhardt
Mr. Jenkins
Mr. Marshall
Mr. Miller, E.S.
Mr. Soyars
Mr. Thompson
Mr. Walters
Tele. Room
Mr. Boise
Mr. Barnes
Mr. Bowers
Mr. Herington
Mr. Conmy
Mr. Mintz
Mr. Eardley
Mrs. Hogan

CLASSIFIED AND EXTENDED BY [redacted]
REASON FOR EXTENSION FCIM, II, 1-2.4.2 3
DATE OF REVIEW FOR DECLASSIFICATION 6-11-93
E-30-79

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.

Classified by [redacted]
Declassify on: OADR
279938

TB04 4:36AM 06-11-73 BJM

TATE 569

:35 PM URGENT 6/11/73 IL

TO ACTING DIRECTOR NR 127-10

FROM LEGAT [redacted] (80-7)

[redacted] (C) (U)

[redacted], HAS ASKED IF IT MIGHT BE POSSIBLE TO IDENTIFY INTERTEL, WASHINGTON, D. C. HE SAID IT MIGHT BE A PRIVATE INVESTIGATIVE AGENCY IN WASHINGTON. ANY CONSIDERATION OF HIS REQUEST WILL BE MOST APPRECIATED.

END

REC-67 [illegible]-113468-15

5 JUN 14 1973

ST-102

5-Boynton

Mr. Boynton
Rm. 1008 9&D

~~CONFIDENTIAL~~

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-10-2024 BY: [redacted]

b6
b7C

1 - Mr. J. F. Burns

CODE CABLEGRAM NITEL

TO LEGAT [redacted] (80-97-102) CONFIDENTIAL 6/12/73

FROM ACTING DIRECTOR, FBI 62-113468-15

REC-67

b7D
b7E

[redacted] (C) (U)

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.

REURCAB 6/11/73.

BUREAU FILES SHOW THAT INTERTEL IS CODE NAME FOR INTERNATIONAL INTELLIGENCE, INCORPORATED, HEADED BY ROBERT D. PELOQUIN, PRESIDENT. PELOQUIN IS FORMER CHIEF OF DEPARTMENT OF JUSTICE'S FIRST ORGANIZED CRIME STRIKE FORCE. HE WAS FORMER DEPARTMENTAL ASSISTANT TO WILLIAM G. HUNDLEY, FORMER HEAD OF ORGANIZED CRIME AND RACKETEERING SECTION OF DEPARTMENT OF JUSTICE. PELOQUIN AND HUNDLEY ARE ALSO PARTNERS IN WASHINGTON, D. C., LAW FIRM AND HUNDLEY IS OFFICER OF INTERTEL. INTERTEL DESCRIBED AS DELAWARE CORPORATION FOUNDED JANUARY, 1970, TO "CONDUCT AND CARRY ON A MANAGEMENT, ADVISORY AND CONSULTING BUSINESS RELATING TO THE PROTECTION OF BUSINESS FIRMS OF EVERY TYPE AND DESCRIPTION FROM THE INFILTRATION, INCURSION, ATTACK, AND INFLUENCE OF CRIME AND CRIMINALS, AND TO AID, ASSIST, AND IN ALL RESPECTS COOPERATE WITH GOVERNMENTAL AGENCIES ON A LOCAL, STATE, AND FEDERAL LEVEL IN THE ELIMINATION OF CRIME AND ITS INFLUENCE IN ALL ASPECTS OF THE BUSINESS COMMUNITY."

XEROX COPIES OF BROCHURE BEING SENT UNDER SEPARATE COVER. THIS

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JFB:lps
(3)

SEE NOTE PAGE TWO

Mr. Felt
Mr. Baker
Mr. Callahan
Mr. Cleveland
Mr. Conrad
Mr. Gebhardt
Mr. Jenkins
Mr. Marshall
Mr. Miller, E.S.
Mr. Soyars
Mr. Thompson
Mr. Walters
Tele. Room
Mr. Baise
Mr. Barnes
Mr. Bowers
Mr. Herington
Mr. Conmy
Mr. Mintz
Mr. Eardley
Mrs. Hogan

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION
JUN 12 1973
5:50 P.M.
TELETYPE

MAIL ROOM ☐ TELETYPE UNIT ☑

Classified by [redacted] 8-30-29
Declassify on: OADR
#279938
EXTENDED BY 3
REASON FOR EXTENSION FCIM, II, 1-2.4.2
DATE OF REVIEW FOR DECLASSIFICATION 6-12-93

CONFIDENTIAL

Cablegram to [redacted]
Re: [redacted] (U) ~~CONFIDENTIAL~~

b7D
b7E

~~CONFIDENTIAL~~

ORGANIZATION HAS EMPLOYED SEVERAL FORMER FEDERAL GOVERNMENT INVESTIGATORS, INCLUDING FBI AGENTS, AND OUR RELATIONS WITH IT HAVE BEEN CIRCUMSPECT.

NOTE:

Legat, [redacted] requested identity of company called Intertel, Washington, D. C., for [redacted]

b7D
b7E

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

Mr. V. V. Kolombatovic
Ms. [redacted]

CODE TELETYPE NITEL b6 b7C

TO LEGAT, [redacted] CONFIDENTIAL DECEMBER 19, 1975

FROM DIRECTOR, FBI (62-113468) b3 b7E

INTERTEL, 1707 "H" STREET, N.W., WASHINGTON, D. C. 20006, [redacted] (W)

BUREAU FILES SHOW THAT INTERTEL IS CODE NAME FOR INTERNATIONAL INTELLIGENCE, INCORPORATED, HEADED BY ROBERT D. PELOQUIN, PRESIDENT. PELOQUIN IS FORMER CHIEF OF DEPARTMENT OF JUSTICE'S FIRST ORGANIZED CRIME STRIKE FORCE. HE WAS FORMER DEPARTMENTAL ASSISTANT TO WILLIAM G. HUNDLEY, FORMER HEAD OF ORGANIZED CRIME AND RACKETEERING SECTION OF DEPARTMENT OF JUSTICE. PELOQUIN AND HUNDLEY ARE ALSO PARTNERS IN WASHINGTON, D. C., LAW FIRM AND HUNDLEY IS OFFICER OF INTERTEL. INTERTEL DESCRIBED AS DELAWARE CORPORATION FOUNDED JANUARY, 1970, TO "CONDUCT AND CARRY ON A MANAGEMENT, ADVISORY AND CONSULTING BUSINESS RELATING TO THE PROTECTION OF BUSINESS FIRMS OF EVERY TYPE AND DESCRIPTION FROM THE INFILTRATION, INCURSION, ATTACK AND INFLUENCE OF CRIME AND CRIMINALS, AND TO AID, ASSIST, AND IN ALL RESPECTS COOPERATE WITH GOVERNMENTAL AGENCIES ON A LOCAL, STATE AND FEDERAL LEVEL IN THE ELIMINATION OF CRIME AND ITS INFLUENCE IN ALL ASPECTS OF THE BUSINESS COMMUNITY." b6 b7C

REC-15 62-113468

1 - Foreign Liaison [redacted] (Detached)

5 DEC 30 1975

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

DATE 9/11/79

APPROPRIATE AGENCIES NOTIFIED

Assoc. Dir. ____
Dep. AD Adm. ____
Dep. AD Inv. ____
Asst. Dir.:
Admin. ____
Comp. Syst. ____
Ext. Affairs ____
Files & Com. ____
Gen. Inv. ____
Ident. ____
Inspection ____
Intell. ____
Laboratory ____
Plan. & Eval. ____
Spec. Inv. ____
Training ____
Legal Coun. ____
Telephone Rm. ____
Director Sec'y ____

MAIL ROOM [redacted] TELETYPE UNIT [redacted]

(5) [redacted]

[redacted]

[redacted]

[

UNCLASSIFIED

THIS ORGANIZATION HAS EMPLOYED SEVERAL FORMER FEDERAL GOVERNMENT INVESTIGATORS, INCLUDING FBI AGENTS, AND OUR RELATIONS WITH IT HAVE BEEN CIRCUMSPECT.

END

NOTE:

Legat, [redacted], requests identity of company called Intertel, Washington, D. C., for [redacted] b7D b7E

(4)

UNCLASSIFIED

FD-36 (Rev. 2-14-74)

FBI

Date: 12/18/75

Transmit the following in CONFIDENTIAL (Type in plaintext or code)

Via AIRTEL (Precedence)

TO: DIRECTOR, FBI

FROM: SAC, WFO [redacted] (RUC)

[redacted]

b3
b6
b7C
b7E

INTERTEL

[redacted]

Re Bureau nitel 12/12/75.

Enclosed are six copies of an LHM concerning captioned company.

Investigation at Corporate Records and Better Business Bureau conducted by SA [redacted]

[redacted]

CLASSIFIED AND EXTENDED BY [redacted]
REASON FOR EXTENSION FCIM, II. 1-2.4.2.
DATE OF REVIEW FOR DECLASSIFICATION 12-18-95

[redacted] INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

REC-38 62-113468

b6
b7C
b7E

EX-110

DEC 22 1975

APPROPRIATE AGENCIES AND FILES HAVE BEEN ADVISED

SLIP(S) OF DATE

2 ENCLOSURE

(3) Bureau (Enc. 6)
1- WFO

[redacted]

(4)

[redacted]

#279938
DECLASSIFIED BY [redacted]
ON 3/11/88 per G-1 guide

Approved: [redacted] Sent [redacted] M Per [redacted]

57 JAN 14 1976 Special Age

CONFIDENTIAL

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION
Washington, D. C. 20535
December 18, 1975

In Reply, Please Refer to File No.

INTERTEL

On December 17, 1975, a representative of the Federal Bureau of Investigation determined the following information at Corporate Records, 6th and D Streets, N.W., Washington, D. C. (WDC), concerning Intertel:

Intertel was organized on June 8, 1973, at 6430 Sunset Boulevard, Los Angeles, California, for the purpose of conducting and carrying on a management advisory and consulting business relating to the protection of business firms of every type and description. President of Intertel is now Robert D. Peloquin and address of Intertel is 1707 H Street, N.W., WDC.

On December 17, 1975, a representative of the Federal Bureau of Investigation determined that no record was contained in the files of the Better Business Bureau of Washington, 1111 E Street, N.W., WDC.

ALL INFORMATION CONTAINED b6 b7C
HEREIN IS UNCLASSIFIED
DATE 8-30-79 BY [redacted]
3/11/68 [redacted]
#279938

62-113468-17

1* ENCLOSURE

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION

DEC 12 1975

Assoc. Dir. ____
Dep.-A.D.-Adm. ____
Dep.-A.D.-Inv. ____
Asst. Dir.:
Admin. ____
Comp. Syst. ____
Ext. Affairs ____
Files & Com. ____
Gen. Inv. ____
Ident. ____
Inspe[illegible]
Intell
Labora[illegible]
Plan. & Eval. ____
Spec. Inv. ____
Training ____
Legal Coun. ____
Telephone Rm. ____
Director Sec'y ____

SEC
Rm

CONFIDENTIAL TELETYPE

12:30 PM NITEL 12/12/75 [redacted]

TO DIRECTOR NR 531-12

FROM LEGAT [redacted] (U)

INTERTEL, 1707 "H" STREET, NW, WASHINGTON, DC 20006; [redacted] (U)

ON 12/12/75 [redacted]

ADVISED THAT [redacted] THEY DESIRE TO KNOW ANY FACTS AVAILABLE [redacted]

REGARDING CAPTIONED COMPANY. (U)

WFO HANDLE REQUEST OF [redacted] AND SUTEL RESULTS IN

FORM SUITABLE FOR DISSEMINATION TO [redacted] (U)

END

EX-114

REC 27 62-113457-18

JAN 13 1976

CLASSIFIED AND EXTENDED BY [redacted]
REASON FOR EXTENSION FCIM, II, 1-2.4.2
DATE OF REVIEW FOR DECLASSIFICATION 12-12-05

8-30-79

Sutel WFO 0-73 12/12/75 Ea/pc

DECLASSIFIED BY [redacted]
ON 3/11/88
#279938 per G-Guide

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

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b7C

1-6

APPROPRIATE AGENCIES,
[illegible] ROUTING

CONFIDENTIAL

SECTION CI-4
[redacted] 4634 JEH

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION

[redacted] CI-4 & JHH

DEC 12 1975

TELETYPE

12:30 PM NITEL 12/12/75 [redacted]

TO DIRECTOR NR 531-12

FROM LEGAT [redacted] (U)

INTERTEL, 1707 "H" STREET, NW, WASHINGTON, DC 20006; [redacted] (U)

ON 12/12/75, [redacted]

ADVISED THAT IN CONNECTION WITH AN ACTIVE INVESTIGATION PRESENTLY BEING CONDUCTED BY THEM, THEY DESIRE TO KNOW ANY FACTS AVAILABLE REGARDING CAPTIONED COMPANY. (U)

WFO HANDLE REQUEST OF [redacted] AND SUTEL RESULTS IN FORM SUITABLE FOR DISSEMINATION TO [redacted] (U)

END

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12/11/75 2

tel to

CLASSIFIED AND EXTENDED BY [redacted] 8-30-79
REASON FOR EXTENSION FCIM, II, 1-2.4.2 1-1 1-3
DATE OF REVIEW FOR DECLASSIFICATION 2-12-05

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED DURING SURVEYS
DATE 9/4/79 [redacted]

DECLASSIFIED BY [redacted]
ON 3/11/88
#279938 per G-I guide

CARBON COPY DO NOT FILE
SECTION CI-4
Rm. 4634 JEH

O-Dw 5

0-73 (Rev. 2-13-75)

MESSAGE RELAY

EX-112

Transmit in [X] Plaintext [ ] Code — Via Teletype the Attached [ ] Immediate [ ] Urgent [X] Nitel Message — Date 12/12/75

REC 27 62 - 113463 - 18

From: Director, FBI

To: SACs: WFO - Pm 5

To: Legats:

b6
b7C

DECLASSIFIED BY [redacted]
ON 3/11/88
279938 per G-I guide

To: RUEADWW/ [ ] The President [ ] The Vice President [ ] White House Situation Room
[ ] Attn: [ ] Attn:

RUEBWJA/ [ ] Attorney General [ ] Deputy Attorney General
[ ] Attn: Analysis and Evaluation Unit

RUEBWJA/ [ ] Assistant Attorney General, Civil Rights Division

RUEBWJA/ [ ] Assistant Attorney General, Criminal Division
[ ] Attn: Internal Security Section [ ] Attn: General Crimes Section

RUEABND/ [ ] Drug Enforcement Administration

RUEBWJA/ [ ] Immigration and Naturalization Service

RUEBWJA/ [ ] U. S. Marshal's Service

RUEBDUA/ [ ] Department of the Air Force (AFOSI)

RUEACSI/ [ ] Department of the Army

RUEAIIA/ [ ] Director, CIA

RUEBJGA/ [ ] Commandant, U. S. Coast Guard

RUEKJCS/ [ ] Director, Defense Intelligence Agency

RHEGGTN/ [ ] Energy Research and Development Administration

RUEOGBA/ [ ] Federal Aviation Administration

RUEANAT/ [ ] National Aeronautics & Space Adm.

RUEOIAA/ [ ] National Security Agency (DIRNSA/NSOC (Attn: SOO))

RUEOLKN/ [ ] Naval Investigative Service

RUEAUSA/ [ ] U. S. Postal Service (if Classified) (Use RUEVDFS if Unclassified)

RUEHSE/ [ ] U. S. Secret Service (PID)

RUEHOC/ [ ] Secretary of State

RUEBJGA/ [ ] Department of Transportation
Attn: Director of Security

[ ]
[ ]
[ ]

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION

DEC 12 1975

TELETYPE

Assoc. Dir. ____
Dep. AD Adm. ____
Dep. AD Inv. ____
Asst. Dir.:
Admin. ____
Comp. Syst. ____
Ext. Affairs ____
Files & Com. ____
Gen. Inv. ____
Ident. ____
Inspection ____
Intell. ____
Laboratory ____
Legal Coun. ____
Plan. & Eval. ____
Spec. Inv. ____
Training ____
Telephone Rm. ____
Director Sec'y ____

Classification: [ ] Top Secret [ ] Secret [ ] Confidential [X] Unclassified

Foreign Liaison Unit
[ ] Route through for review
[ ] Cleared telephonically with _____

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b7C
b7E

Subject (Text begins next page):

INTERTEL, 1707 "H" STREET, NW, WASHINGTON, DC 20006; [redacted]

FBI

MAIL ROOM [ ] TELETYPE UNIT [X]

JAN 26 1976

CONFIDENTIAL

FEDERAL BUREAU OF INVESTIGATION
COMMUNICATIONS SECTION

DEC 12 1975

TELETYPE

b3
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b7C
b7D
b7E

Assoc. Dir.
Dep.-A.D.-Adm.
Dep.-A.D.-Inv.
Asst. Dir.:
Admin.
Comp. Syst.
Ext. Affairs
Files & Com.
Gen. Inv.
Ident.
Insp.
Intell.
Laboratory
Plan. & Eval.
Spec. Inv.
Training
Legal Coun.
Telephone Rm.
Director Sec'y

12:38 PM NITEL 12/12/75

TO DIRECTOR NR 531-12

FROM LEGAT

INTERTEL, 1737 "H" STREET, NW, WASHINGTON DC 20535

By teletype dated 12-12-75 Legat advised

ON 12/12/75,

ADVISED THAT IN CONNECTION WITH AN ACTIVE INVESTIGATION PRESENTLY BEING CONDUCTED BY THEM, THEY DESIRE TO KNOW ANY FACTS AVAILABLE REGARDING CAPTIONED COMPANY.

WFO HANDLE REQUEST OF AND SUTEL RESULTS IN FORM SUITABLE FOR DISSEMINATION TO .

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END

CLASSIFIED AND EXTENDED BY FOR EXTENSION OF REVIEW FOR DECLASSIFICATION
3
1-2.4.2
12-12-05
8-30-79

CONFIDENTIAL

LEG-7 (Rev. 8-11-70)
OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27
5010-106

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI (62-113468) DATE: 12/30/75 ~~CONFIDENTIAL~~

FROM : Legal Attache, [redacted]) (RUC) 3 ~~2~~ (U) b3 b6 b7C b7E

SUBJECT: INTERTEL, 1707 "H" STREET, N.W., WASHINGTON, D. C. 20006
[redacted] ~~2~~ (U)

Reference: Bureau teletype 12/19/75 NO 116

Dissemination, as outlined below, was made on dates indicated to foreign agencies listed.

DECLASSIFIED BY [redacted] b6 b7C
ON 3/11/88 #279938 per G-1 guide

☒ One copies of referenced teletype.

CLASSIFIED AND EXTENDED BY [redacted] 6.30.29
REASON FOR EXTENSION FCIM, II, 1-2.4.2
DATE OF REVIEW FOR DECLASSIFICATION 12-30-95

☐ Pertinent information from

Name and Location of Agency	Date Furnished
[redacted]	12/30/75 ~~2~~ (U)

b6 b7C b7D

APPROPRIATE AGENCIES AND FIELD OFFICES ADVISED BY ROUTING SLIP(S) OF [redacted] DATE 9/14/76

62-113468-

NOT RECORDED
1 JAN 13 1976

3 - Bureau
(1 - Foreign Liaison Desk)
[redacted]
(3)
[redacted]

70 JAN 21 1976

~~CONFIDENTIAL~~ FILE

LEG-7 (Rev. 8-11-7
OPTIONAL FORM NO. 10
MAY 1962 EDITION
GSA GEN. REG. NO. 27
5010-106

UNITED STATES GOVERNMENT

Memorandum

TO : Director, FBI (CONFIDENTIAL) DATE: 1/14/76

FROM : Legal Attache, [redacted] (RUC) (U)

SUBJECT: INTERTEL [redacted] (U)

[redacted]

Reference: WFOairtel and LHM dated 12/18/75 (U)

Dissemination, as outlined below, was made on dates indicated to foreign agencies listed.

[X] One copies of WFO LHM 12/18/75 (U)

[ ] Pertinent information from [redacted]

DECLASSIFIED BY [redacted]
ON 3/11/88
#279938
per G-1 guide

Name and Location of Agency	Date Furnished
[redacted]	1/14/76 (U)

62-113468

NOT RECORDED
23 JAN 28 1976

CLASSIFIED AND EXTENDED BY [redacted]
REASON FOR EX FCIM, II, 1-2.4.2
DATE OF REVIEW FOR DECLASSIFICATION 1-14-96

FILED

APPROPRIATE AGENCIES NOTIFIED OF FILING AND CONTENTS
DATE 2-2-76

3 - Bureau
(1 - Foreign Liaison Desk)

[redacted] (3)

55 FEB 3 1976

CONFIDENTIAL

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b7D

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-21-2024 BY: [redacted]

b6
b7C

airtel

~~CONFIDENTIAL~~

9-15-76

To: SAC, Miami (Enc. 2)

From: Director, FBI 62-113468 19-[redacted]

b6
b7C
b7D

ST-122

REC-9

INTERTEL, INC.
AR [redacted]

Enclosed for Miami are two copies of a letter dated 9-9-76 from [redacted] Liaison Officer, Washington, D. C., which is self-explanatory. (U)

Miami, through review of indices and available contacts or sources, resolve questions set forth in enclosure.

Miami submit LHM suitable for dissemination concerning this matter by 10-4-76.

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE

Classified by [redacted]
Declassify on: OADR
#279,938 E.130.79

CLASSIFIED AND EXTENDED BY [redacted] 3
REASON FOR EXTENSION FCIM, II, 1-2.4.2
DATE OF REVIEW FOR DECLASSIFICATION 9-15-96

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MAILED 3
SEP 15 1976
FBI

A[illegible]c. Dir.
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Asst. Dir.:
Adm. Serv.
Ext. Affairs
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Plan. & Eval.
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Spec. Inv.
Training
Telephone Rm.
Director Sec'y

(4) [redacted]

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9- [redacted]

APPROPRIATE AGENCIES,
AND FIELD OFFICES
ADVISED BY TELETYPE
SLIP(S) CE[illegible]

[redacted]

~~CONFIDENTIAL~~

MAIL ROOM [redacted] TELETYPE UNIT [redacted]

OCT 8 1976

GPO : 1976 O - 207-526

FD-36 (Rev. 2-14-74)

FBI

Date: 10/13/76

Transmit the following in _____ (Type in plaintext or code)

Via AIRTEL _____ (Precedence)

TO: DIRECTOR, FBI

FROM: SAC, MIAMI (RUC)

RE: INTERTEL, INC.
AR;

(00: BUREAU)

Re Bureau airtel to Miami, 9/15/76.

Enclosed for the Bureau is the original and 5 copies of an LHM, dated and captioned as above.

Investigation in the Miami Division was conducted by SA

The source, who has furnished reliable information in the past, is who is and who cooperates fully with the Miami FBI.

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b7C
b7D

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 10/26/87 BY

279,938

(2) - Bureau (Enc. 6) ENCLOSURE
1 - Miami
(3)

3 enc. To WLO 10/19/76
0-14

EX 104
REC-26 62-112[illegible]-20

17 OCT

NINE

Approved: _____ Sent _____ M Per _____
Charge

56 NOV 8 1976

GPO : 1975 O - 590-992

UNITED STATES DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

In Reply, Please Refer to File No.

Miami, Florida
October 13, 1976

RE: INTERTEL, INC.

A review of the files of the Miami Office of the Federal Bureau of Investigation (FBI) reveals that there is no indication that Resorts International or Intertel, Inc., a subsidiary of Resorts International, have any ties with organized crime.

A source, who has furnished reliable information in the past, advised that [redacted] has never been, is not now, and never has been an employee of Intertel, Inc., or Resorts International. This source advised that in 1971 and 1972 [redacted] was involved in organizing two gambling junkets to Paradise Island, Nassau, Bahamas, on his own. Following his organizing these junkets, Intertel, Inc. found out that [redacted] was associated with a well-known Canadian hoodlum, so Intertel advised him to cease organizing any further junkets to Paradise Island. b6 b7C

This source advised that [redacted] was never again involved in any organized junkets to Paradise Island after he was told to cease these activities.

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 10-26-87 BY [redacted] #279,938

1.*

62-113966-20

ENCLOSURE

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 03-21-2024 BY: [redacted]

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b7C

Airtel

1 - [redacted]
1 - FOF

7/12/78

[redacted]

To: SACs, Kansas City (196-0)
Washington Field Office

From: Director, FBI (62-113468)

b6
b7C

[redacted]

ROBERT PELLOQUIN,
dba INTERTEL, INC.,
POSSIBLE FRAUD BY WIRE;
POLICE COOPERATION;
OO: KC

[redacted]

ReKCtel to the Bureau dated 7/5/78.

Bureau files show that Intertel is code name for International Intelligence, Inc., headed by Robert D. Pelloquin, President. Pelloquin is former chief of Department of Justice's first Organized Crime Strike Force. He was former Departmental Assistant to William G. Hundley, former Head of Organized Crime and Racketeering Section of Department of Justice. Pelloquin and Hundley are also partners in Washington, D. C., law firm and Hundley is officer of Intertel. Intertel described as Delaware Corporation founded January, 1970, to "conduct and carry on a management, advisory and consulting business relating to the protection of business firms of every type and description from the infiltration, incursion, attack and influence of crime and criminals, and to assist, and in all respects cooperate with governmental agencies on a local, state and Federal level in the elimination of crime and its influence in all aspects of the business community."

This organization has employed several former Federal Government investigators including FBI, Secret Service, and Internal Revenue Service Agents.

[redacted]

MAILED 5
JUL 13 1978
FBI

EX-136

Assoc. Dir. [redacted]
Dep. AD Adm.
Dep. AD Inv.
Asst. Dir.:
Adm. Servs.
Crim. Inv.
Ident.
Intell.
Laboratory
Legal Coun.
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Training
Public Affs. Off.
Telephone Rm.
Director's Sec'y

(7)

[redacted]

REC-79 [redacted]
62-113468-21

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4 JUL 20 1978

AUG 23 1978

JEH

MAIL ROOM [redacted]

[redacted]

OJ

Airtel to Kansas City
RE: ROBERT PELLOQUIN

~~CONFIDENTIAL~~

Intertel, reportedly, was originally financed by Resorts International, Inc., which has substantial gambling interests in the Bahamas (Paradise Island Casino, Nassau, Bahamas). In 1970, it was indicated that Intertel would be engaged on a contract basis by the Hughes Organization to operate security and certain management phases of Nevada Casino-Hotels owned by Hughes.

In a 10/13/76, LHM the Miami Office indicated that a review of their files revealed no indication that Resorts International or Intertel, Inc., had any ties with organized crime.

Relative to Robert D. Pelloquin, Bureau files reflect that in 1958 a Departmental Applicant investigation was conducted in connection with his appointment as an attorney. This investigation showed that he was born January 9, 1929, in Fall River, Massachusetts. He was employed as an attorney in the Internal Security and Criminal Divisions of the Department of Justice (DOJ) from early 1957 to 1961 when he resigned to enter private law practice. He returned to the DOJ, date unknown, as an attorney in the Organized Crime and Racketeering Section. From January to August, 1967, he was in charge of the Buffalo, New York, Task Force. He resigned to enter law practice with William G. Hundley, and to assume the position of Chief of Security for the football leagues (August, 1967).

Direct Ident

~~CONFIDENTIAL~~

KC0008 1862320Z

RR HQ WF

DE KC

R 052100Z JUL 78

FM KANSAS CITY (196-0) P

TO DIRECTOR (ROUTINE)

WASHINGTON FIELD OFFICE (ROUTINE)

BT

UNCLAS

6 JUL 78 01 01 Z

Assoc. Dir.
Dep. AD Adm.
Dep. AD Inv.
Asst. Dir.:
Adm. Ser.
Crim. Inv.
Ident.
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Rec. Mgnt.
Tech. Servs.
Training
Public Affs. Off.
Telephone Rm.
Director's Sec'y

b6
b7C

ROBERT PELLOQUIN, DBA INTERTEL, INC., POSSIBLE FRAUD BY WIRE; POLICE COOPERATION; OO: KANSAS CITY.

ON JULY 3, 1978, CHIEF OF POLICE PHILLIP MORGAN, GRANDVIEW, MISSOURI, ADVISED THAT SUBJECT TELEPHONICALLY CONTACTED A LOCAL MANUFACTURER OF AIRCRAFT PARTS OFFERING HIS SERVICES IN INDUSTRIAL ESPIONAGE. SUBJECT STATED HIS COMPANY EMPLOYS FORMER FBI AND CIA AGENTS, AND ENGAGES IN ALL TYPES OF INTELLIGENCE GATHERINGS FOR PRIVATE COOPERATIONS. SUBJECT ADVISED THAT HIS OFFICES WERE IN ARLINGTON, VIRGINIA, AND THAT HE WOULD MAKE FOLLOW UP PHONE CALL. MORGAN ADVISED THAT INTERTEL, INC. NOT INCORPORATED IN VIRGINIA.

DE-74

REC- 137

V-1

196 353-

62-113468-22

JUL 17 1978

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57 AUG 14 1978

MORGAN CONTACTED AN ACQUAINTANCE ON THE SAN FRANCISCO, CALIFORNIA PD, WHO FOUND A LOCAL NEWS CLIPPING MENTIONING SUBJECT'S NAME, AND ANNOUNCING THE OPENING OF AN OFFICE FOR INTERTEL, INC., WASHINGTON, D. C.. PD SOURCE ADVISED INTERTEL HAD AN ANSWERING SERVICE BUT NO OFFICE SPACE.

THE BUREAU AND WASHINGTON FIELD OFFICE ARE REQUESTED TO SEARCH INDICES FOR SUBJECT AND INTERTEL, INC., AND ADVISE KANSAS CITY.

BT

1 MORE

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-10-2024 BY: [redacted]

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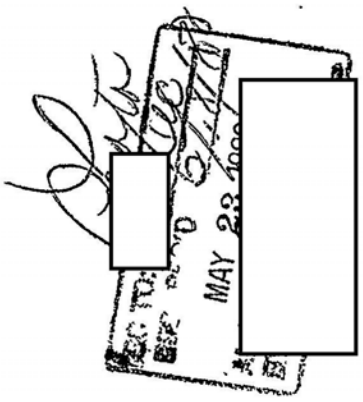
b7C



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b7E

~~Secret~~

Intertel
1707 H Street, N.W.
Suite 400
Washington, D.C. 20006
(202) 452-8555

Vadja Kolombatovic
Vice President
International Affairs

b6
b7C

Exec AD Inv. ___
Exec AD Adm. ___
Exec AD LES. ___
Asst. Dir.:
Adm. Servs. ___
Crim. In[redacted]
Ident. ___
Intell. ___
Laboratory ___
Legal Coun. ___
Plan. & Insp. ___
Rec. Mgnt. ___
Tech. Servs [redacted]
Training ___
Public Affs. [redacted]
Telephone Rm [redacted]
Director's Sec'y ___
FBI/DOJ

[redacted]

OUTSIDE SOURCE

December 21, 1981

[redacted]

Judge William H. Webster
Director, Federal
Bureau of Investigation
Department of Justice
Washington, D. C. 20535

[redacted]

Dear Judge Webster:

It was indeed a happy occasion to receive your letter of December 15, 1981, and I appreciate your kind words and best wishes for the holiday season. As you know, my interest and loyalty will always be with the Bureau.

I would like to take this opportunity to wish you and the Bureau a fruitful and prosperous 1982.

With best personal regards.

[redacted]

Sincerely,

Vadja V. Kolombatovic

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b7C

VVK[redacted]

V-60 DE-51 62-113468-23

No [illegible] necessary

[redacted]

b6
b7C

12 JAN 13 1982

[redacted]

Off. of Co[redacted] d Pub. Aff.

Intertel
1707 H Street, N.W.
Suite 400
Washington, D.C. 20006
(202) 452-8555

Vadja Kolombatovic
Vice President
International Affairs

September 14, 1982

Mr. Oatess E. Archey
FBI Headquarters
Indoor Firearms Range
10th & Pennsylvania Aves., N.W.
Washington, D.C. 20537

OUTSIDE SOURCE

Dear Oatess:

Reference is made to your letter of 9/9/82 enclosing the photographs taken at the FBI Firearms Range. I appreciate your efforts in sending me the photographs which were taken during the excellent demonstration you performed for the Sir Tang group.

If you are ever up this way, please drop by my office so we can have a chat and possibly lunch.

Sincerely,

Vadja V. Kolombatovic

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b7C

VVK:

DE-123 62-113468-24

16 SEP 28 1982

60 OCT 1 5 1982

SSP

[redacted]

b6
b7C

April 16, 1990

Mr. Vadja V. Kolombatovic
President
INTERTEL
6110 Executive Boulevard
Suite 250
Rockville, Md. 20852

INTERTEL WASHINGTON DC

Dear Mr. Kolombatovic:

This is to acknowledge receipt of your letter dated 2/28/90, regarding contracting of FBI background investigations.

We are currently involved in a pilot program of contracting out certain background investigations in the Washington, D.C., Metropolitan area. The FBI is prepared to expand this program throughout the United States, upon completion of the pilot program.

The FBI will be contracting with individual former Federal investigators who have extensive expertise in conducting complex sensitive background investigations. At the present time we do not plan to contract with any companies.

In the event the Bureau should seek the services of companies such as yours, you can be assured you will be contacted. Your interest in our program is greatly appreciated.

Sincerely, 62-113468-25

Joseph J. Jackson
Section Chief
Civil Rights and Special Inquiry
Section
Criminal Investigative Division

Exec AD Adm. ____
Exec AD Inv. ____
Exec AD LES ____
Asst. Dir.:
Adm. Servs. ____
Crim. Inv. ____
Ident. ____
Insp. ____
Intell. ____
Lab. ____
Legal Coun. ____
Off. Cong. & Public Affs. ____
Rec. Mgnt. ____
Tech. Servs. ____
Training ____
Off. Liaison & Int. Affs. ____
Telephone Rm. ____
Director's Sec'y ____

MAIL ROOM

[redacted]

b6
b7C

Intert

6867 Elm Street
Suite 300A
McLean, VA 22101

Vadja V. Kolombatovic
President - CEO

(703) 506-0606

FAX (703) 506-0183

ST-300

150

June 30, 1994

Honorable Louis Freeh
Director, Federal Bureau
of Investigation
Ninth and Pennsylvania Ave., N.W.
Washington, D.C. 20035

Dear Director Freeh:

A little over a decade ago I helped form the Association of Former Legats, which is an informal social and fraternal organization comprised of former FBI Agents who have had the common experience of being assigned abroad in U.S. Embassies as Legal Attaches or Assistant Legal Attaches. The Association also includes in its ranks former FBI employees who served in the Special Investigative Service. We now have over 100 members.

The primary purpose of our organization is to maintain relationships formed over the years and assist the Bureau if the need arises. We also publish a newsletter which keeps the group advised of the activities of our members.

The Association meets every year in conjunction with the annual convention of the Society of Former Special Agents of the FBI. Although we usually assemble in the hotel hosting the convention, the meeting this year will take place at my residence in McLean, Virginia at 7:00 PM on October 7, 1994.

In the past, the Director's Office has designated a representative to address our organization on the current status of the legat program. Last year Weldon Kennedy spoke to our group at the Indianapolis convention. This year we would be honored if you and your wife could join us for the brief meeting, which will be followed by a reception and dinner. If you can attend, I will have my staff communicate with your office to make the appropriate arrangements. I know your schedule is quite full, and if it precludes your attendance, I would appreciate it if you would designate a representative to address our group.

62-113468-26

Thank you for your consideration. I look forward to hearing from you.

Sincerely,

V. Kolombatovic

6/31/94 Vadja V. Kolombatovic

b6
b7C

September 8, 1994

~~August 30, 1994~~

158

Mr. Vadja V. Kolombatovic
President
Intertel
Suite 300A
6867 Elm Street
McLean, Virginia 22101

Dear Mr. Kolombatovic:

Thanks very much for writing to me about the upcoming meeting and dinner of the Association of Former Legats. I appreciate the invitation.

I'm sorry to say that I will be completely tied up on October 7, but I am happy to designate an alternative speaker. Mr. Alan Ringgold, Chief of the Liaison and International Affairs Section (formerly Office of Liaison and International Affairs), will be available to address your group. You may contact him directly at (202) 324-5904.

Thanks again for writing. I hope your meeting this year is both productive and enjoyable.

MAILED 39
SEP 09 1994
FBI

Sincerely yours,

Louis J. Freeh

Louis J. Freeh
Director

1 - Washington Metropolitan - Enclosure
Personal Attention ADIC

Dep. Dir. 1 - [redacted] - Enclosure
ADD Adm. 1 - [redacted] - Enclosure
ADD Inv. 1 - [redacted] - Enclosure
Asst. Dir.: 1 - [redacted] - Enclosure
Adm. Servs. 1 - [redacted] - Enclosure
Crim. Inv. 1 - [redacted] - Enclosure
Ident. 1 - [redacted] - Enclosure
Info. Mgmt. 1 - [redacted] - Enclosure
Insp. 1 - [redacted] - Enclosure
Intell. 1 - [redacted] - Enclosure
Lab. 1 - [redacted] - Enclosure
Legal Coun. 1 - Special Events - Enclosure
Tech. Servs. 1 - Communications Unit - Enc.
Training
Cong. Affs. Off.
Off. of EEO
Off. Liaison & Int. Affs.
Off. of Public Affs.
Telephone Rm.
Director's Office

b6
b7C

NOTE: Invitation received from Vadja V. Kolombatovic, President, for the Director to attend a brief meeting, reception, and dinner, in McLean, Virginia, on October 7, 1994. Decline for Director, per D.O. on 8/22/94, and substitute Section Chief, Alan Ringgold if available. Confirmation of availability 8/29/94.

62-113468-27

(14)

APPROV

Director
Dep. Dir.
ADD-Adm.
ADD-Inv.
Adm. Servs.
Crim. Inv.
Crim. Jus. Info. Servs.
Ident.
Info. Mgmt.
Inspection
Intell.
Laboratory
Legal Coun.
Tech. Servs.
Training
Off. of EEO Affs.
Off. of Liaison & Int. Affs
Off. of Publ & Cong. A
TOM Off.

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1734217-000

Total Deleted Page(s) = 11
Page 4 ~ b3; b6; b7C; b7D; b7E;
Page 5 ~ b6; b7C; b7D;
Page 13 ~ Duplicate;
Page 16 ~ Duplicate;
Page 17 ~ Duplicate;
Page 18 ~ Duplicate;
Page 19 ~ Duplicate;
Page 43 ~ Duplicate;
Page 50 ~ b3; b6; b7C; b7E;
Page 51 ~ Duplicate;
Page 52 ~ Duplicate;

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3/9/94 [redacted] b6 b7C

10/19/93 [redacted]

3/17/94 [redacted]

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2-26-J-6
MM UCFN-8811B

FD-809 (7-24-92)

FBI, Savannah Information Technology Center (SITC)
PUBLIC INFORMATION REQUEST FORM
220 East Bryan Street
Savannah, Georgia 31401
(PO Box 336 31402)

Commerical or FTS 912-944-0824 - 0828
FAX: 912-231-1076 FAX: 912-231-0974

ITC Use Only:
Record #: _____
Date/Time In: _____
Date/Time Out: _____
Database(s) Used:
1. _____ 4. _____
2. _____ 5. _____
3. _____ 6. _____
Handled By: _____
Request/Response Type: _____
Telephone Number: _____

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 4/21/93 Drug Related: Yes ☐ No ☒

Requestor: SA [redacted] Phone #: 305 787 6126 Office: MM UCFN: _____ b6 b7C

Precedence: ROUTINE ☒ PRIORITY ☐

SEARCH CRITERIA
~~Name - last~~: INTERTEL CORP. First: _____ Middle: _____

Alias: _____ Sex: __ DOB1: __/__/__ DOB2: __/__/__ SSAN: _____

Residence - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business ID#: _____

(X) [redacted] b6 b7C

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed.):

- ☐ 1. Locate Business/Person (_____ U.S. _____ State)
- ☐ 2. Determine All Individuals Associated with Social Security Number
- ☐ 3. Determine Who is Associated with Telephone Number(s)
- ☐ 4. Determine Address of Business/Person (_____ U.S. _____ State)
- ☐ 5. Determine Property Owned by Individual (_____ U.S. _____ State)
- ☐ 6. Determine Who Owns Property Listed Above
- ☐ 7. Determine Who Resides at Address Listed Above
- ☒ 8. Uniform Commercial Code (X U.S. X State)
- ☒ 9. Corporate/Limited Partnership Records (_____ U.S. _____ State)
- ☒ 10. Bankruptcy (_____ State - Areas of Availability are Limited)
- ☒ 11. Judgements (_____ State - Areas of Availability are Limited)
- ☒ 12. Lawsuits (_____ State - Areas of Availability are Limited)
- ☒ 13. Liens (_____ State - Areas of Availability are Limited)
- ☒ 14. Notice of Loan Default
- ☒ 15. Security & Exchange Commission Filings

REPLY FROM: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

TO: SAC, _____

ATTENTION: _____

Based on search criteria, marked records are attached:

___ Possible Identifiable Records
___ Other Peripheral Information
___ Brief Synopsis of Information Found
___ No Information of Value Found

[redacted]
FILED INDEXED
APR 23 1993
FBI — MIA [redacted]
b3 b6 b7C b7E

FD-809 (7-24-92)

FBI, Savannah Information Technology Center (SITC)
PUBLIC INFORMATION REQUEST FORM
220 East Bryan Street
Savannah, Georgia 31401
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Commerical or FTS 912-944-0824 - 0828
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ITC Use Only:
Record #: _____
Date/Time In: _____
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Database(s) Used:
1. _____ 4. _____
2. _____ 5. _____
3. _____ 6. _____
Handled By: _____
Request/Response Type: _____
Telephone Number: _____

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 4/21/93 Drug Related: Yes ☐ No ☒

Requestor: SA [redacted] Phone #: 305 787 6126 Office: MM UCFN: _____ b6 b7C

Precedence: ROUTINE ☒ PRIORITY ☐

SEARCH CRITERIA
~~Name - Last:~~ RESORTS INTERNATIONAL First: _____ Middle: _____

Alias: _____ Sex: __ DOB1: __/__/__ DOB2: __/__/__ SSAN: _____

Residence - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business ID#: _____

[redacted] b6 b7C

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed.):
- ☐ 1. Locate Business/Person (_____ U.S. _____ State)
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- ☐ 3. Determine Who is Associated with Telephone Number(s)
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REPLY FROM: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

TO: SAC, _____

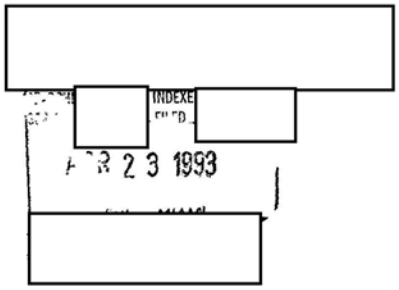
ATTENTION: _____

Based on search criteria, marked records are attached:
- ____ Possible Identifiable Records
- ____ Other Peripheral Information
- ____ Brief Synopsis of Information Found
- ____ No Information of Value Found

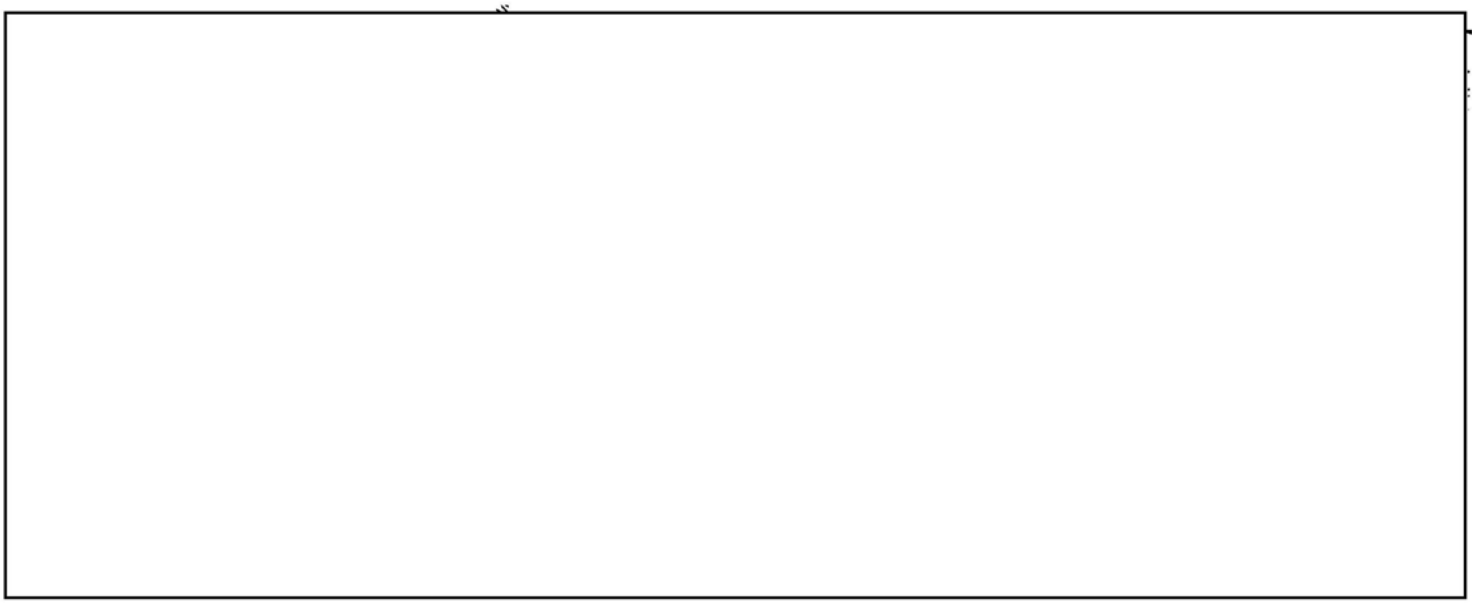
[redacted]

APR 22 1993

[redacted] b3 b6 b7C b7E

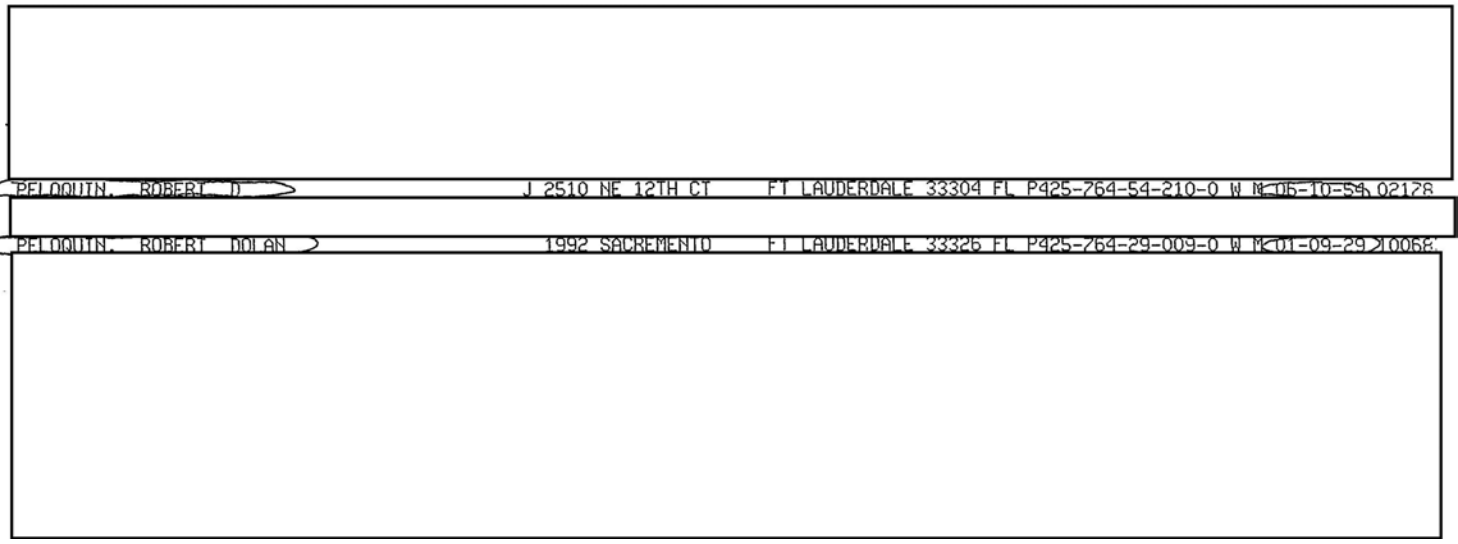


b3
b6
b7C
b7E



b6
b7C

b6
b7C



PELOQUIN, ROBERT D J 2510 NE 12TH CT FT LAUDERDALE 33304 FL P425-764-54-210-0 W M-05-10-54 02178

PELOQUIN, ROBERT DOLAN 1992 SACREMENTO FT LAUDERDALE 33326 FL P425-764-29-009-0 W M-01-09-29 00068

FD-36 (Rev. 11-17-88)

FBI

TRANSMIT VIA:
☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:
☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:
☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 4/23/93

TO : SAC, NEWARK

FROM : SAC, MIAMI [redacted] (WCC-1) (P)

SUBJECT : UNSUB(S), DBA
RESORTS INTERNATIONAL,
ROBERT D. PELOQUIN;
PRESIDENT, INTERTEL CORP.
[redacted]
(00: MIAMI)

b3
b7E

Re request from [redacted], [redacted] to FBI, Miami, dated 3/22/93.

[redacted] has requested assistance of FBI regarding an investigation into the activities of various Bahamian corporations, including one Hotel Corporation, believed to be controlled by U.S. individuals.

b6
b7C
b7D

LEADS

NEWARK DIVISION:

Review 1992 organized crime intelligence files re INTERTEL CORP., a wholly owned subsidiary of RESORTS INTERNATIONAL, and ROBERT D. PELOQUIN, President of INTERTEL, and report positive results.

b3
b6
b7C
b7E

2 - Newark
2 - New York
2 - Las Vegas
(2) - Miami

[redacted]

4/26/93

SEARCHED [redacted]
INDEXED [redacted]
SERIALIZED [redacted]
FILED [redacted]

[redacted]

Approved: _____ Transmitted _____ Per _____
(Number) (Time)

[redacted]

b3
b7E

NEW YORK DIVISION:

Same as set forth in Newark lead.

LAS VEGAS DIVISION:

Same as set forth in Las Vegas lead.

INFORMATION COMMUNICATION Date: 05/08/93

FROM: LAS VEGAS (RUC)
SQUAD 5

CONTACT: SA [redacted]

TO: MIAMI

TITLE: UNSUB(S), dba
Resorts International,
ROBERT D. PELOQUIN;
PRESIDENT, INTERTEL CORP.;
[redacted]
OO: MIAMI

RE: Miami airtel to Las Vegas, dated 4/23/93.

PURPOSE(S): To advise office of origin of Las Vegas investigation.

DETAILS: For formation of Miami Division a check of Las Vegas indices revealed that one ROBERT DOLAN PELOQUIN, dba INTERTEL INC., was the subject of Los Angeles matter 185-54 in October 1984. PELOQUIN is also noted as the subject of HQ matter 67-3555 and 67-3564 in February of 1985. PELOQUIN and INTERTEL, INC., are also noted on the OCIS date base, which Miami Division has access to. Due to the date of both indices entries, leads regarding same are being left to the discretion of the office of origin.

As no further investigation remains to be conducted, this matter is considered RUC'd.

[redacted]

[redacted]

1 - File # [redacted]
1 - Working Copy
[redacted] (4)

5/20/93

[redacted]

[redacted]

b3
b6
b7C
b7E

FD-36 (Rev. 11-17-88)

WCC-1

FBI

TRANSMIT VIA:
- ☐ Teletype
- ☐ Facsimile
- ☒ AIRTEL

PRECEDENCE:
- ☐ Immediate
- ☐ Priority
- ☐ Routine

CLASSIFICATION:
- ☐ TOP SECRET
- ☐ SECRET
- ☐ CONFIDENTIAL
- ☐ UNCLAS E F T O
- ☐ UNCLAS

Date 5/17/93

TO : SAC, MIAMI [redacted] b3 b7E

FROM : ADIC, NEW YORK (BQ) [redacted] (RUC)

SUBJECT : UNSUB(S), DBA
RESORTS INTERNATIONAL,
ROBERT D. PELOQUIN;
PRESIDENT, INTERTEL CORP.
[redacted]
(OO:MIAMI)

Reference Miami airtel to New York, dated 5/17/93.

A review of OCIS records failed to reflect any entries created by New York.

A review of New York indices was conducted concerning Intertel and ROBERT D. PELOQUIN. Indices reflected Intertel is a wholly owned subsidiary of Resorts International and is headed by ROBERT D. PELOQUIN. Intertel is described as operating a security network for Resorts International.

Indices also reflects a reference in file 92C-2300, which contained a copy of NK teletype to Bureau dated 5/11/78, a copy of which was directed to Miami file 92-3589.

2 - Miami
1 - New York (BQ)

[redacted]
(4)

b3 b6 b7C b7E

5/21/93

Approved: [redacted] Transmitted _____ (Number) Per

MAY -1

[redacted] b3 b7E

Indices also reflects a reference concerning Intertel Inc. in LA teletype dated 8/5/84 captioned [redacted] b6 b7C [redacted] (OO:LA)" which communication was also directed to Miami.

Indices reflect an applicant case (12/84) concerning one [redacted] b6 b7C

Inasmuch as no further investigation remains outstanding at Brooklyn/Queens, this case is being placed in an RUC status.

[redacted] b3 b6 b7C b7E

WCC-1

ROUTING SLIP

TO: SAC, Miami DATE 4/30/93

FROM: SAC LAS VEGAS

Re urfile # [redacted].

Las Vegas has searched your indices and is in need of indexing data for the following person(s), to be in compliance with Bureau indexing rules and regulations. Please provide any descriptive data (DOB, POB, Race, Sex and Identifying Numbers(s)) contained in your file for this/these person(s).

Las Vegas is grateful for any assistance you can provide.

Handwritten responses on this form ~~is~~ are acceptable.

Name [redacted]

Name _____
Race ____ Sex ____
DOB _____ POB _____
ID# _____

[redacted]

Name _____
Race ____ Sex ____
DOB _____ POB _____
ID# _____

Name _____
Race ____ Sex ____
DOB _____ POB _____
ID# _____

b3 b6 b7C b7E

Name _____
Race ____ Sex ____
DOB _____ POB _____
ID# _____

Name _____
Race ____ Sex ____
DOB _____ POB _____
ID# _____

[redacted]

[redacted]

407-833-7517 121

[redacted]

[redacted]

FBI — M

FBI, Savannah Information Technology Center (SITC)
PUBLIC INFORMATION REQUEST FORM
220 East Bryan Street
Savannah, Georgia 31401
(PO Box 336 31402)

Commerical or FTS 912-944-0824 - 0828
FAX: 912-231-1076 FAX: 912-231-0974

ITC Use Only: Record #: 4922
Date/Time In: 4-22-93 15:45
Date/Time Out: 5/22/93 305
Database(s) Used:
1. ASSET 4. CopLink
2. BRDS 5. TRIST
3. FACURS 6. CURRNT
Handled By:
Request/Response Type:
Telephone Number:

b3
b6
b7C
b7E

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 4/21/93 Drug Related: Yes ☐ No ☒

Requestor: SA [redacted] Phone #: 305 787 6126 Office: MM UCFN: [redacted]
Precedence: ROUTINE ☒ PRIORITY ☐

SEARCH CRITERIA
Name - last: RESORTS INTERNATIONAL First: _____ Middle: _____

Alias: _____ Sex: ___ DOB1: / / DOB2: / / SSAN: _____

Residence - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business ID#: _____

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed.):
- ☐ 1. Locate Business/Person (_____ U.S. _____ State)
- ☐ 2. Determine All Individuals Associated with Social Security Number
- ☐ 3. Determine Who is Associated with Telephone Number(s)
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- ☐ 7. Determine Who Resides at Address Listed Above
- ☐ 8. Uniform Commercial Code (_____ U.S. _____ State)
- ☐ 9. Corporate/Limited Partnership Records (_____ U.S. _____ State)
- ☐ 10. Bankruptcy (_____ State - Areas of Availability are Limited)
- ☐ 11. Judgements (_____ State - Areas of Availability are Limited)
- ☐ 12. Lawsuits (_____ State - Areas of Availability are Limited)
- ☐ 13. Liens (_____ State - Areas of Availability are Limited)
- ☐ 14. Notice of Loan Default
- ☒ 15. Security & Exchange Commission Filings

(X) [redacted]

b6
b7C

[redacted]

REPLY FROM: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

TO: SAC, Miami

ATTENTION: [redacted]

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
JUN 09 1993
FBI — MIAMI

b3
b6
b7C
b7E

Based on search criteria, marked records are attached:
- ___ Possible Identifiable Records
- ___ Other Peripheral Information
- ___ Brief Synopsis of Information Found
- ___ No Information of Value Found

LM for file
4/22 [redacted]

P.2

APR 22 '93 08:12

Assets

RESORTS INTERNATIONAL

Your search request has found 157 RECORDS through Level 1.
To DISPLAY these RECORDS press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

Liens

RESORT INTERNATIONAL

Your search request has found 58 DOCUMENTS through Level 1.
To DISPLAY these DOCUMENTS press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

INCORP

RESORT INTERNATIONAL

Your search request has found 170 DOCUMENTS through Level 1.
To DISPLAY these DOCUMENTS press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

Company.

There are a total of 345 documents that satisfy your search request through Level 1, grouped as follows:

GROUP:	(1)	16	BANKRUPTCY REPORTS
	(2)	7	BUSINESS EXEC BIO
	(3)	17	US CO PROFILES
	(4)	9	INT'L CO PROFILES
	(5)	22	M & A REPORTS
	(6)	263	SEC FILINGS/SEC ABS
	(7)	11	STOCK REPORTS

TO DISPLAY DOCUMENTS IN THE FIRST GROUP, press any format key (e.g. FULL).
TO GO DIRECTLY TO A PARTICULAR GROUP at any time, transmit the word GROUP and then the group number (e.g., GROUP2).

USE OF THE REQST KEY WITH GROUPED RESULTS:
- To recall this summary while browsing, transmit the REQST (R) key.
- To review your search request from a GROUP summary screen, transmit the REQST key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

RESORT INTERNATIONAL

Your search request has found 59 REPORTS through Level 1.
To DISPLAY these REPORTS press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

CURRNT

RESORT INTERNATIONAL

Your search request has found 591 STORIES through Level 1.
To DISPLAY these STORIES press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

REQUEST 4722

Summary of Corporate Data for Florida
For: RESORTS INTERNATIONAL

1	1	RESORTS INTERNATIONAL INC	ACT
2	1	RESORTS INTERNATIONAL DISBURSEMENT, INC.	ACT
3	1	RESORTS INTERNATIONAL INSURANCE CORPORATION	INACT
4	1	RESORTS INTERNATIONAL MARKETING CORPORATION	INACT
5	1	RESORTS INTERNATIONAL MARKETING CORPORATION	ACT
6	1	RESORTS INTERNATIONAL MARKETING GROUP, INC.	INACT
7	1	RESORTS INTERNATIONAL PAINTING CONTRACTORS, INC	ACT
8	1	RESORTS INTERNATIONAL REALTY GROUP, INC.	INACT
9	1	RESORTS INTERNATIONAL UNLIMITED, INC.	ACT

End of list

Detail Display of Corporate Data for Florida
For: RESORTS INTERNATIONAL INC

Item Number: 0001
Name: RESORTS INTERNATIONAL INC
Number: 813363
Date: 02/02/1959
Originated: DELAWARE
Status: ACTIVE
Type: FOREIGN PROF
Tax ID: 59-0763055

PRINCIPAL OFFICE
915 N E 125TH ST
NORTH MIAMI FLA, 33161

REGISTERED AGENT INFORMATION
UNITED STATES CORPORATION COMPANY
110 NORTH MAGNOLIA STREET
TALLAHASSEE, FL 32301
ADDR CHG: 04/30/84

Detail Display of Corporate Data for Florida
For: RESORTS INTERNATIONAL INC

OFFICER/DIRECTOR INFORMATION
CHAIRMAN: GRIFFIN, MERV
915 N E 125TH ST
N MIAMI, FL,
PRESIDENT: HANLON, DAVID P.
915 N E 125TH ST
N MIAMI, FL,
VICE PRES.: BOWDEN, DAVID G
915 NE 125TH ST
N MIAMI, FL,
TREASURER: ODONNELL, THOMAS F
915 N E 125TH ST
N MIAMI, FL,
CHAIRMAN: KEARNEY, MATTHEW B
915 N E 125TH ST

N MIAMI, FL,
VICE PRES.: WHITNEY, CHRISTOPHER D
915 N E 125TH ST
N MIAMI, FL,

Detail Display of Corporate Data for Florida
For: RESORTS INTERNATIONAL INC

ANNUAL REPORT INFORMATION

	DATE FILED:	07/09/1991	07/16/1992	05/01/1993
	FILED BY:	I	B	B

HISTORY INFORMATION

DATE	NUMBER	DESCRIPTION
06/19/1987		AMENDMENT

END OF DATA

Summary of Uniform Commercial Code Data for Florida
For: RESORTS INTERNATIONAL

1	1	RESORTS INTERNATIONAL INC - N MIAMI FL
2	1	RESORTS INTERNATIONAL - NORTH MIAMI FL
3	1	RESORTS INTERNATIONAL - NORTH MIAMI FL
4	1	RESORTS INTERNATIONAL - NORTH MIAMI FL
5	1	RESORTS INTERNATIONAL - NORTH MIAMI FL
6	1	RESORTS INTERNATIONAL INC - NORTH MIAMI FL
7	1	RESORTS INTERNATIONAL INC - NORTH MIAMI FL
8	1	RESORTS INTERNATIONAL INCORPORATED - NORTH MIAMI FL
9	1	RESORTS INTERNATIONAL INC - NORTH MIAMI FL
10	1	RESORTS INTERNATIONAL HOTEL INC - ATLANTIC CITY NJ

End of list

Detail Display of Uniform Commercial Code Data for Florida
For: RESORTS INTERNATIONAL INC

1 ORIG FL 890000255968 09/25/1989
S: EATON FINANCIAL CORPORATION, 9104 PO BOX, FRAMINGHAM, MA 01701 US
D: RESORTS INTERNATIONAL INC, 915 NE 125 ST, N MIAMI, FL 33161 US

:tail Display of Judgment Data for Texas
)r: RESORT INTERNATIONAL INC

1 CIVIL 04/06/88 518523 $6,623
D: RESORT INTERNATIONAL INC, 6300 RICHMOND, HOUSTON TX 77057
DBA: HOLIDAYS INTERNATIONAL
CT: HOUSTON CCL, HARRIS, TX
PL: AIRBORNE FREIGHT
ID OF DATA
ıter request:
.lt-Z FOR HELP° ANSI ' ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

.tail Display of Superior Court Civil Data for San Diego County, CA
r: RESORT INTERNATIONAL CAMPGROUNDS Thru Date: 04/15/93

1. Case Type: CIVIL Case #: 00549979 Date: 09/30/85
Location: SAN DIEGO
Action: PERSONAL INJURY (OTHER)
Defendant(s): RESORT INTERNATIONAL CAMPGROUNDS
CAMELOT RESORTS
Plaintiff(s): [redacted] b6 b7C

D OF DATA
ter request:
lt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

FD-800 (7-24-92)

FBI, Savannah Information Technology Center (SITC)
PUBLIC INFORMATION REQUEST FORM
220 East Bryan Street
Savannah, Georgia 31401
(PO Box 336 31402)

Commerical or FTS 912-944-0824 - 0828
FAX: 912-231-1076 FAX: 912-231-0974

ITC Use Only:
Record #: 4711
Date/Time In: 4-8-93 1540
Date/Time Out: 5/22/93 400
Database(s) Used:
1. DBT PH 4. CompProd
2. LYONS PH 5. TREST
3. INCORP PH 6. CLEARY PH
Handled By:
Request/Response Type:
Telephone Number:

b3
b6
b7C
b7E

TO: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

Date: 4/21/93 Drug Related: Yes ☐ No ☒

Requestor: SA _____ Phone #: 305 787 6126 Office: MM UCFN: _____

Precedence: ROUTINE ☒ PRIORITY ☐

SEARCH CRITERIA

Name-last: INTERTEL CORP. First: _____ Middle: _____

Alias: _____ Sex: __ DOB1: / / DOB2: / / SSAN: _____

Residence - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business - Street Address: _____ City/State: _____ Zip: _____ Phone: _____

Business ID#: _____

(X)

CHECK DESIRED SEARCH PARAMETERS (Please check only those that are needed.):

b6
b7C

- ☐ 1. Locate Business/Person (_____ U.S. _____ State)
- ☐ 2. Determine All Individuals Associated with Social Security Number
- ☐ 3. Determine Who is Associated with Telephone Number(s)
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- ☒ 13. Liens (_____ State - Areas of Availability are Limited)
- ☒ 14. Notice of Loan Default
- ☒ 15. Security & Exchange Commission Filings

REPLY FROM: FBI, SAVANNAH INFORMATION TECHNOLOGY CENTER

TO: SAC, Miami

ATTENTION: _____

Based on search criteria, marked records are attached:

- ✓ Possible Identifiable Records
- ___ Other Peripheral Information
- ___ Brief Synopsis of Information Found
- ___ No Information of Value Found

SERIALIZE INDEX FILE
JUN 09 1993

b3
b6
b7C
b7E

Jm Foy
4/22

APR 22 '93 08:13

P.3

LEVEL 1 - 2 OF 2 RECORDS

TRW REDI Property Data, Copyright (c) 1993

PROPERTY RECORDS FOR DADE COUNTY, FL

ESTIMATED TAX ROLL CERTIFICATION DATE OCTOBER 15, 1992

Owner: INTERTEL ENTERPRISES INC

Mailing Address: C/O FIN FED SAV BNK ATN [redacted] 1755 N KIRBY PKWY STE 150 MEMPHIS TN 38120 b6 b7C

********** LOCATION **********

Property Address: 4015 00016TH TERR SW

Property Use (REDI): Apartment

Assessor's Parcel Number: 30-4108-032-0110

********** ASSESSMENT VALUES **********

Press Alt-H for Help or Alt-Q to Quit.

LEVEL 1 - 1 OF 2 RECORDS

TRW REDI Property Data, Copyright (c) 1993

PROPERTY RECORDS FOR DADE COUNTY, FL

ESTIMATED TAX ROLL CERTIFICATION DATE OCTOBER 15, 1992

Owner: INTERTEL ENTERPRISES INC

Mailing Address: C/O FIN FED SAV BNK ATN [redacted] 1755 N KIRBY PKWY STE 150 MEMPHIS TN 38120 b6 b7C

********** LOCATION **********

Property Address: 460 ELDRON DR

Property Use (REDI): Apartment

Assessor's Parcel Number: 05-3119-013-4730

********** ASSESSMENT VALUES **********

Press Alt-H for Help or Alt-Q to Quit.

LICAS

INTERTEL

Your search request has found 27 DOCUMENTS through Level 1.
To DISPLAY these DOCUMENTS press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

INSCOAP

INTERTEL

Your search request has found 68 DOCUMENTS through Level 1.
To DISPLAY these DOCUMENTS press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

There are a total of 28 documents that satisfy your search request through Level 1, grouped as follows:

GROUP:	(1)	0 BANKRUPTCY REPORTS
	(2)	0 BUSINESS EXEC BIO
	(3)	9 US CO PROFILES
	(4)	1 INT'L CO PROFILE
	(5)	2 M & A REPORTS
	(6)	15 SEC FILINGS/SEC ABS
	(7)	1 STOCK REPORT

TO DISPLAY DOCUMENTS IN THE FIRST GROUP, press any format key (e.g. FULL).
TO GO DIRECTLY TO A PARTICULAR GROUP at any time, transmit the word GROUP and then the group number (e.g., GROUP2).

USE OF THE REQST KEY WITH GROUPED RESULTS:
- To recall this summary while browsing, transmit the REQST (R) key.
- To review your search request from a GROUP summary screen, transmit the REQST key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

LEVEL 1 - 1 OF 3 REPORTS

Copyright (c) 1993 American Business Information, Inc.
Omaha, Nebraska

ESTABLISHMENT DATABASE

INTERTEL

6110 EXECUTIVE BLVD
ROCKVILLE, MARYLAND 20852
301-231-6515

Press Alt-H for Help or Alt-Q to Quit.

Current.

INTERTEL

Your search request has found 267 STORIES through Level 1.
To DISPLAY these STORIES press either the KWIC, FULL, CITE or SEGMTS key.
To MODIFY your search request, press the M key (for MODFY) and then the TRANSMIT key.

For further explanation, press the H key (for HELP) and then the TRANSMIT key.
Press Alt-H for Help or Alt-Q to Quit.

REQUEST 4711

Summary of Corporate Data for Florida
For: INTERTEL

1	1	INTERTEL LIMITED INC	INACT
2	1	INTERTEL, INC.	INACT
3	1	INTERTEL CORPORATION	INACT
4	1	INTER-TEL, INCORPORATED	ACT
5	1	INTER-TEL COMMUNICATIONS, INC.	ACT
6	1	INTERTEL COMMUNICATIONS SERVICE, INC.	ACT
7	1	INTERTELEFILM, INC.	INACT
8	1	INTERTEL ENTERPRISES, INC.	ACT
9	1	INTER TELEPHONE, INC.	INACT
10	1	INTERTELL REALTY, INC.	ACT
11	1	INTER-TEL NETSOLUTIONS, INC.	ACT
12	1	INTERTEL SALES AND SERVICES, INC.	INACT
13	1	INTERTEL USA, INC.	INACT

End of list

Detail Display of Corporate Data for Florida
For: INTERTEL CORPORATION

Item Number: 0001
Name: INTERTEL CORPORATION
Number: G15683
Date: 12/29/1982
Originated: FLORIDA
Status: INACTIVE
Type: FL PROFIT

PRINCIPAL OFFICE
301 W. CAMINO GARDENS BLVD.
BOCA RATON, FL 33432

REGISTERED AGENT INFORMATION
DELOACH, GUION T.
1035 FIFTH AVENUE NORTH
NAPLES, FL 33940

Detail Display of Corporate Data for Florida
For: INTERTEL CORPORATION

OFFICER/DIRECTOR INFORMATION
DIRECTOR: HIGHSTREET, HENRY R
2868 NE 18TH ST
POMPANO BCH, FL,
DIRECTOR: BAIR, ROBERT D
155 ST ANDREWS BLVD
NAPLES, FL,
VICE PRES.: ESTES, DENNIS F

[redacted]

b6
b7C

ANNUAL REPORT INFORMATION
DATE FILED: 10/05/1983
FILED BY: I

HISTORY INFORMATION

DATE	NUMBER	DESCRIPTION
11/21/1984		INVOLUNTARILY DISSOLVED

END OF DATA

Summary of Uniform Commercial Code Data for Florida
For: INTERTEL CORP

1	1	INTER-TEL INCORPORATED - TAMPA FL
2	1	INTER-TEL INC - CLEARWATER FL
3	1	INTER TEL INC - TAMPA FL
4	1	INTER-TEL INCORPORATED - TAMPA FL
5	1	INTER-TEL INCORPORATED - CHANDLER AZ
6	1	INTER-TEL INCORPORATED - CHANDLER AZ
7	1	INTER-TEL COMMUNICATIONS INC - CHANDLER AZ
8	1	INTER-TEL COMMUNICATIONS INC - CHANDLER AZ
9	1	INTERTEL ENTERPRISES INC - MIAMI SPRINGS FL
10	1	INTERTEL ENTERPRISES INC - MIAMI SPRINGS FL
11	1	INTER-TEL LEASING INC - CHANDLER AZ

End of list

niversal Directory of ALL Data for ALL Locations
or: INTERTEL

1	Corporate	Arizona
2	Corporate	California
3	Corporate	Colorado
4	Corporate	Connecticut
5	Corporate	Georgia
6	Corporate	Iowa
7	Corporate	Idaho
8	Corporate	Illinois
9	Corporate	Massachusetts
10	Corporate	Maryland
11	Corporate	Missouri
12	Corporate	North Carolina
13	Corporate	Nebraska
14	Corporate	Nevada
15	Corporate	New York
16	Corporate	Ohio
17	Corporate	Oklahoma

MORE ITEMS on next page - enter UN for next page
nter request:
Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

niversal Directory of ALL Data for ALL Locations
or: INTERTEL

18	Corporate	Pennsylvania
19	Corporate	Tennessee
20	Corporate	Utah
21	Uniform Commercial Code	California
22	Uniform Commercial Code	Colorado
23	Uniform Commercial Code	Massachusetts
24	Uniform Commercial Code	Maryland
25	Uniform Commercial Code	Missouri
26	Uniform Commercial Code	Nebraska
27	Uniform Commercial Code	New York
28	Uniform Commercial Code	Pennsylvania
29	Uniform Commercial Code	Texas
30	Uniform Commercial Code	Utah
31	Uniform Commercial Code	Washington
32	Uniform Commercial Code	Harris County, TX
33	Tax Lien	California
34	Tax Lien	Texas

MORE ITEMS on next page - enter UN for next page, UP for previous
nter request:
Alt-Z FOR HELP° ANSI ° FDX ° 2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE

niversal Directory of ALL Data for ALL Locations
or: INTERTEL

35	Judgment	Arizona
36	Judgment	California
37	Judgment	Texas

```
38  Judgment                        Washington
39  Bankruptcy                      California
40  Board of Equalization           California
41  Franchise Tax                   Texas
42  Sales Tax                       Texas
43  Assumed Name                    Harris County, TX
44  Registered Agent                New York
45  Secured Party                   California
46  Secured Party                   Colorado
47  Secured Party                   Maryland
48  Secured Party                   Missouri
49  Secured Party                   Nebraska
50  Secured Party                   New York
51  Secured Party                   Ohio

  MORE ITEMS on next page - enter UN for next page, UP for previous
ıter request:
ılt-Z FOR HELP° ANSI     ° FDX °  2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE



ıiversal Directory of ALL Data for ALL Locations.
›r: INTERTEL
52  Secured Party                   Texas
53  Secured Party                   Utah
54  Secured Party                   Dallas County, TX
55  Fictitious Owner                Pennsylvania
56  County Court Civil              Harris County, TX
57  Superior Court Civil            Los Angeles County, CA
58  Superior Court Civil            Orange County, CA
59  Superior Court Civil            Riverside County, CA
60  Superior Court Civil            San Diego County, CA
61  Superior Court Civil            Santa Clara County, CA
62  General Index                   Los Angeles County, CA
63  General Index                   San Francisco County, CA
64  Professional Licenses           California
65  Environmental                   Arizona
66  Environmental                   Massachusetts
67  Federal Aviation Admin.         Arizona
  END OF LIST
  Enter UP for previous page
›ter request:
 lt-Z FOR HELP° ANSI     ° FDX °  2400 E71 ° LOG CLOSED ° PRINT OFF ° ON-LINE
```

U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Newark, New Jersey

June 15, 1993

RESORTS INTERNATIONAL;
ROBERT D. PELOQUIN,
PRESIDENT, INTERTEL CORPORATION

Investigation at Atlantic City, New Jersey, revealed no positive information regarding captioned matter in 1992 Organized Crime intelligence files.

b3
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1*

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FD-36 (Rev. 11-17-88)

FBI

WCC-1

TRANSMIT VIA:
☐ Teletype
☐ Facsimile
☒ AIRTEL

PRECEDENCE:
☐ Immediate
☐ Priority
☐ Routine

CLASSIFICATION:
☐ TOP SECRET
☐ SECRET
☐ CONFIDENTIAL
☐ UNCLAS E F T O
☐ UNCLAS

Date 6/15/93

TO : SAC, MIAMI ( ) (WCC-1) (P)

FROM : SAC, NEWARK ( ) (ACRA) (RUC)

SUBJECT : UNSUB(S),
dba RESORTS INTERNATIONAL,
ROBERT D. PELOQUIN,
PRESIDENT, INTERTEL CORPORATION
( )
(OO: MIAMI)

b3
b7E

Re: Miami airtel to Newark dated 4/23/93.

Enclosed for Miami are three copies of LHM regarding captioned matter.

Inasmuch as no further investigation remains in the Newark Division, this matter is considered RUC.

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2-Miami (Enc. 3)
2-Newark
(1)
(1-66-NK(C)-77455)
(4)

Rec'd 6/21/93

1*

SEARCHED INDEXED
SERIALIZED FILED
JUN 2 1
FBI — MIAMI

Approved Transmitted (Number) (

Indices Search Slip
FD-160 (Rev. 9-28-92)

To: Administrative Officer

Date 7/7/93

Requestor [redacted]

Ext. 6126 | Squad: W-1 | File No. [redacted]

Subject Robert Dolan Peloquin

Social Security Account #

Aliases

Address	Birth Date	Birth Place	Race	Sex
Ft. Lauderdale FL	1/9/29		W	☒ Male ☐ Female

- ☐ Exact Spelling
- ☐ All References
- ☐ Main Security Case Files Only
- ☐ Security References Only
- ☒ Main Criminal Case Files Only
- ☒ Criminal References Only
- ☐ Main Security *(If no Main, list all Security References)*
- ☐ Main Criminal *(if no Main, list all Criminal References)*
- ☐ Restrict Locality of

☐ General Indices: ☐ NEG ☐ POS	Searched by / Date	☐ ISIS: ☐ NEG ☐ POS	Searched by / Date
☐ Confidential Indices: ☐ NEG ☐ POS	[redacted] 7/9/93 Searched by / Date	☐ EG ☐ POS [redacted] Attached	
☐ ELSUR Indices: ☐ NEG ☐ POS	Searched by / Date	☐ IIS: ☐ NEG ☐ POS	Searched by / Date
☐ FOIMS: ☐ NEG ☐ POS	Searched by / Date	☐ MICRO: ☐ NEG ☐ POS	Searched by / Date
☐ GLOBAL: ☐ NEG ☐ POS	Searched by / Date	☐ REGIONAL: ☐ NEG ☐ POS	Searched by / Date

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[redacted]

Place an "X" by the Field Office(s) to Query for Regional Searches.

Northeast

- ☐ Albany
- ☐ Boston
- ☐ New Haven
- ☐ New York City
- ☐ Newark
- ☐ Philadelphia
- ☐ All above

Legats

- ☐ Athens
- ☐ Bangkok
- ☐ Bern
- ☐ Bogota
- ☐ Bonn
- ☐ Bridgetown
- ☐ Brussels
- ☐ Canberra
- ☐ Caracas
- ☐ Hong Kong
- ☐ London
- ☐ Madrid
- ☐ Manila
- ☐ Mexico City
- ☐ Montevideo
- ☐ Ottawa
- ☐ Panama City
- ☐ Paris
- ☐ Rome
- ☐ Tokyo
- ☐ Vienna

Mid-Atlantic

- ☐ Atlanta
- ☐ Baltimore
- ☐ Birmingham
- ☐ Charlotte
- ☐ Columbia
- ☐ Jackson
- ☐ Jacksonville
- ☐ Knoxville
- ☐ Memphis
- ☐ Miami
- ☐ Mobile
- ☐ New Orleans
- ☐ Norfolk
- ☐ Quantico
- ☐ Richmond
- ☐ San Juan
- ☐ Tampa
- ☐ Washington Field
- ☐ All above

Central

- ☐ Buffalo
- ☐ Chicago
- ☐ Cincinnati
- ☐ Cleveland
- ☐ Dallas
- ☐ Denver
- ☐ Detroit
- ☐ El Paso
- ☐ Houston
- ☐ Indianapolis
- ☐ Kansas City
- ☐ Little Rock
- ☐ Louisville
- ☐ Milwaukee
- ☐ Minneapolis
- ☐ Oklahoma City
- ☐ Omaha
- ☐ Pittsburgh
- ☐ San Antonio
- ☐ Springfield
- ☐ St. Louis
- ☐ All above

Western

- ☐ Albuquerque
- ☐ Anchorage
- ☐ Honolulu
- ☐ Las Vegas
- ☐ Los Angeles
- ☐ Phoenix
- ☐ Portland
- ☐ Sacramento
- ☐ Salt Lake City
- ☐ San Diego
- ☐ San Francisco
- ☐ Seattle
- ☐ All above

File & Serial Number	Remarks	File & Serial Number	Remarks

[redacted]

JUL 23 1993

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Consolidated by / Date

Reviewed by / Date

File Review Symbols

I - Identical
NI - Not identical
? - Not identifiable
U - Unavailable reference

FBI/DOJ

OCIS

9/9/93

[redacted]

6166

b3
b6
b7C
b7E

NO FURTHER INFO. IN OCIS ON SUBJECT.

P-D: PELOQUIN*ROBERT*D*1
QUICK-REF: PERSON-ORG
CREATED: 18 MAY 1987
LAST-UPDATE: 12 MAY 1993
ENTERED-BY: NY SL HQ
HOME-ADDR: 01
STREET: 6513*TILDEN LN*-
CITY: ROCKVILLE
STATE: MD
ZIP: 20852
HOME-ADDR-S: [redacted] NY
TYPE-PERSON: BUSINESSMAN
TYPE-PERSON-S: [redacted] NY
TYPE-PERSON: OFFICER OF BUSINESS
TYPE-PERSON-S: SL*183*587*114
PHOTO: SERIAL OF FILE SL UNK DATE
PHOTO-S: SL*183*587*114
DOB: 09 JAN 1929
AGE: 64
DOB-S: [redacted]

PERSON - ORGANIZATION ASSOCIATION INFO

P-O: PELOQUIN*ROBERT*D*1*RESORTS INTERNATIONAL HOTEL CASINO*1 *
CREATED: 29 MAY 1987
LAST-UPDATE: 29 MAY 1987
PERSON-RELATIONSHIP: EMPLOYEE
PERSON-RELATIONSHIP-S: [redacted]
POSITION: DIRECTOR
POSITION-S: [redacted]
ORG-RELATIONSHIP: EMPLOYER
ORG-RELATIONSHIP-S: [redacted]

OCIS HAS SOME * INFO. ON ORGS.

b3
b7E

P-O: PELOQUIN*ROBERT*D*1*INTERTEL*1 *
CREATED: 16 APR 1985
LAST-UPDATE: 16 APR 1985
PERSON-RELATIONSHIP: OFFICER OF BUSINESS
PERSON-RELATIONSHIP-S: SL*183*587*114
POSITION: PRESIDENT
POSITION-S: SL*183*587*114
ORG-RELATIONSHIP: EMPLOYER
ORG-RELATIONSHIP-S: SL*183*587*114

2nd DD

7/9/93

P-D: PELOQUIN*ROBERT*-*1
QUICK-REF: CONTACTS
FILE-SER: PH*183*1357*245
CREATED: 05 OCT 1984
LAST-UPDATE: 12 APR 1985
ENTERED-BY: PH SL

ALL OCIS INFO.
ON SUBJECT.
NO IDENTIFYING
DATA UNLESS
PH FILE SERIAL
GIVES MORE INFO.

CONTACT INFO

CONTACTS: 99999*03/08/83*1410
PERSONS-INVOLVED: PELOQUIN*ROBERT*-*1
PERSONS-INVOLVED-S: PH*183*1357*245
ROLE: PARTICIPANT

END OF INFORMATION FOR PELOQUIN*ROBERT*D*1

COMPLETED 527795.000 CTIME=15:29 STATUS 9,3

ORG: INTERTEL*1
QUICK-REF: ORG-ORG
QUICK-REF: PERSON-ORG
CREATED: 29 MAR 1984
LAST-UPDATE: 13 MAR 1986
ENTERED-BY: WF NK
INDUSTRY: PRIVATE INVESTIGATIONS
INDUSTRY-S: NK*195B*74*62

PERSONAL ASSOCIATION INFO

P-O: [redacted]1*INTERTEL*1
CREATED: 13 MAR 1986
LAST-UPDATE: 13 MAR 1986
  ONGOING-AO: 11 SEP 1984
    ONGOING-AO-S: NK*195B*74*62
  PERSON-RELATIONSHIP: FORMER EMPLOYEE
    PERSON-RELATIONSHIP-S: NK*195B*74*62
  ORG-RELATIONSHIP: FORMER EMPLOYER
    ORG-RELATIONSHIP-S: NK*195B*74*62

b6
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P-O: MCKEON*THOMAS*J*1*INTERTEL*1
CREATED: 03 APR 1984
LAST-UPDATE: 03 APR 1984
  PERSON-RELATIONSHIP: OFFICER
    PERSON-RELATIONSHIP-S: WF*159*493-H*120
  POSITION: VICE-PRESIDENT
    POSITION-S: WF*159*493-H*120
  ORG-RELATIONSHIP: BUSINESS
    ORG-RELATIONSHIP-S: WF*159*493-H*120

P-O: PELOQUIN*ROBERT*D*1*INTERTEL*1
CREATED: 16 APR 1985
LAST-UPDATE: 16 APR 1985
  PERSON-RELATIONSHIP: OFFICER OF BUSINESS
    PERSON-RELATIONSHIP-S: SL*183*587*114
  POSITION: PRESIDENT
    POSITION-S: SL*183*587*114
  ORG-RELATIONSHIP: EMPLOYER
    ORG-RELATIONSHIP-S: SL*183*587*114

ORGANIZATION ASSOCIATION INFO

O-O: INTERTEL*1*RESORTS INTERNATIONAL*1
CREATED: 29 MAR 1984
LAST-UPDATE: 03 APR 1984
RELATIONSHIP: HIRED
RELATIONSHIP-S: WF*183*950*175
RELATIONSHIP: AFFILIATION
RELATIONSHIP-S: WF*159*493-H*120

O-O: INTERTEL*1*TRUMP ORGANIZATION OF NEW YORK*1
CREATED: 13 MAR 1986
LAST-UPDATE: 13 MAR 1986
ONGOING-AO: 11 SEP 1984
ONGOING-AO-S: NK*195B*74*62
RELATIONSHIP: BUSINESS
RELATIONSHIP-S: NK*195B*74*62

END OF INFORMATION FOR INTERTEL*1

COMPLETED 528094.000 CTIME=15:50 STATUS 36,6

U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Miami, Florida 33159

July 26, 1993

UNKNOWN SUBJECT(S);
DOING BUSINESS AS,
RESORTS INTERNATIONAL,
ROBERT D. PELOQUIN,
PRESIDENT, INTERTEL CORP.

The Miami Division of the FBI, at the request of [redacted] furnished the following information: b6 b7C b7D

RESORTS INTERNATIONAL, INC., was incorporated in the State of Delaware on February 2, 1959, with principal office of 915 NE 125th Street, North Miami, Florida, and Registered Agent as UNITED STATES CORPORATION CO., 110 N. Magnolia Street, Tallahassee, Florida.

Its Directors were listed as MERV GRIFFIN, Chairman; DAVID P. HANLON, President; DAVID G. BOWDEN, Vice-President; THOMAS F. O'DONNELL, Treasurer; MATTHEW B. KEARNEY, Chairman; CHRISTOPHER D. WHITNEY, Vice-President.

(X) [redacted]

INTERTEL CORP. was incorporated in the State of Florida on 12/29/82, with principal office as 301 W. Camino Gardens Boulevard, Boca Raton, Florida, and Registered Agent GUION T. DELOACH, 1035 Fifth Avenue N, Naples, FL. b6 b7C

INTERTEL's Directors were listed as HENRY HIGHSTREET, 2868 NE 18th Street, Pompano Beach, FL; ROBERT D. BAIR, 155 Andrews Boulevard, Naples, FL; and DENNIS F. ESTES, [redacted] Record checks indicated that INTERTEL was involuntarily dissolved on 11/21/84, with Officers listed as ROBERT D. PELOQUIN and THOMAS MC KEON. b3 b6 b7C b7E

A State of Florida Driver's license check indicated a [redacted] and a ROBERT DOLAN PELOQUIN, date of birth 1/9/29, both of Fort Lauderdale, FL.

[redacted]

Searched INDEXED
Indexed FILED
Serialized
Filed

7/28/93

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Memorandum

To : SAC, MIAMI [redacted] (WCC-1) (C) Date 1/30/95

From : SA [redacted]

Subject: ROBERT D. PELOQUIN, dba
RESORTS INTERNATIONAL,
Ft. Lauderdale, Florida;
(OO: MIAMI)

b3
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b7C
b7E

Captioned matter should be placed in a closed status due to all leads conducted by Miami Division is complete.

Done 3/10/95 C.L.

Close 4

1 - [redacted]
(1)

b3
b6
b7C
b7E

[redacted]

SERIALIZ[redacted]

[redacted]

FD-36 (Rev. 5-22-78)

FBI

TRANSMIT VIA:	PRECEDENCE:	CLASSIFICATION:
☐ Teletype	☐ Immediate	☐ TOP SECRET
☐ Facsimile	☐ Priority	☐ SECRET
☐ Airtel	☐ Routine	☐ CONFIDENTIAL
		☐ UNCLAS E F T O
		☐ UNCLAS

b6
b7C

Date 12/14/82

TO: DIRECTOR, FBI
(ATTN: O. C. SECTION)

FROM: SAC, NEWARK (62D-4263)

encl 1

ROBERT DOLAN PELOQUIN
NAME CHECK REQUEST
NEVADA GAMING BOARD
DOMESTIC POLICE COOPERATION

RE: Las Vegas airtel to New York, ET AL, 11/16/82.

Enclosed for the Bureau are three copies, and for Las Vegas, one copy of an LHM captioned "ROBERT DOLAN PELOQUIN, DIRECTOR, RESORTS INTERNATIONAL, INC."

In addition to information in LHM, Newark indices contains a reference to a Robert D. Peloquin, in Newark file 183-45, serial 122, page 2, captioned "PAKCO COMPANY INC."

This reference cannot be located as the serial is missing.

N63 - 1830-1

Regarding information in the LHM concerning New Jersey Division of Gaming Enforcement (NJDGE). Although the information was received from another government agency, it is included in the LHM because the limited, general, public nature of the information is considered an exception to the general rule regarding information from other government agencies, as set out in MAOP Part II, Section 9-4.4.4. Las Vegas should note that NGCB can be referred directly to NJDGE for more specific information.

3-Bureau (Enc. 3)
(1-Executive Agencies Unit, Records Management Division, FBIHQ)
2-Las Vegas (Enc. 1) (62-53)
2-Newark
(7)

ENCLOSURE

1cc ens detailed for NGCB 12/15/82 ltr.
EAU copy of Airtel DtD 7/15
ICC-3028
+ 1 enc.
1*

DEC 16 1982

b6
b7C

See Bufile 62-113468

54 MAY 10 1983

Approved: _____ Transmitted _____ (Number) _____ (Time)

Per _____

U.S. Department of Justice

Federal Bureau of Investigation

In Reply, Please Refer to
File No.

Newark, New Jersey
December 14, 1982

ROBERT DOLAN PELOQUIN,
DIRECTOR,
RESORTS INTERNATIONAL, INC.

A review of the files of the Newark Office of the Federal Bureau of Investigation (FBI) reflects the following information:

In connection with a separate investigation of which he is not the target, Mr. Robert D. Peloquin was interviewed by Special Agents of the Newark Office of the FBI on February 27, 1980, at the offices of Mr. Jack Davis, Resorts International Hotel, Atlantic City, New Jersey. At that time he furnished the following information:

He resides at 6513 Tilden Lane, Rockville, Maryland. He is the President of Intertel, Inc. (II) a wholly owned subsidiary of Resorts International. One of the functions of II is to provide security for Resorts International. This is approximately 25 per cent of II's work, with the remainder providing security services for other industries. His business address is 1707 H Street, Northwest, Washington, D.C., telephone number 202-452-8555.

In a separate matter the State of New Jersey Department of Law and Public Safety, Division of Gaming Enforcement (NJDGE), CN 047, Trenton, New Jersey 08625, furnished information to the Newark FBI in July, 1981. The information was obtained by NJDGE during the course of an investigation concern-

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63-18[illegible]-1

ENCLOSURE

ing an unrelated subject. It was noted that Peloquin, as of June, 1981, was a practicing attorney.